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6th September 2019
Your Reference: UNC Modification Proposal 0687

UNC Modification Proposal 0687 - Creation of new charge to recover Last Resort Supply Payments

Dear Bob,

Thank you for your invitation seeking representations with respect to the above Modification Proposal which Cadent would like to support.

Do you support or oppose implementation?

Support

Relevant Objective:

- a) Positive
- c) Positive

Reason for support/opposition:

The modification introduces more accurate costs targeting the specific market sector which the costs originated from.

Implementation

Ideally implementation of the modification would be aligned to the system implementation date to ensure a specific charge is created within the system for the GDNs to recover the SoLR costs.

Bearing in mind the above caveat, the proposed implementation date is 1st December 2019. This would give sufficient time for the Gas Distribution Networks (GDNs) to carry out the assurance and governance work for new charge types to be included in our price notification on 31st January 2020.

Impacts and Costs

If implemented, the GDNs would need to amend their internal calculations/pricing models to align costs/price to the respective market sector.

Legal Text

No further comments

Are there any errors or omissions in this Modification Report that you think should be taken into account?

We have not identified any errors or omissions.

Please provide below any additional analysis or information to support your representation

We would like to re-iterate that system development and implementation aligning with the Modification implementation date is crucial as new charge types would need to be available within the system in sufficient time for the commencement of new charges.

We trust that this information will assist in the compilation of the Final Modification Report. Please contact me on 07884 113385 (andy.clasper@cadentgas.com) should you require any further information.

Yours sincerely,

Andy Clasper/Nitin Prajapati