

## **MODIFICATION PROPOSAL No. 0385**

**SHORT TITLE:** Standard of Service on Adjustments to GRE Invoice Queries

**DATE:** Proposed implementation date: 5th April 2000

**URGENCY:** Non Urgent

### **PURPOSE OF PROPOSAL:**

Following discussions and subsequent reporting to the Invoicing & Adjustment workstream, broad consensus has been reached with respect to the proposal of a standard of service on adjustments to GRE invoice queries, which would carry a liability, payable by Transco should these standards fail to be met. Interested Shippers and Transco have met on several occasions, and this modification has resulted from those discussions.

Under current provisions of the Network Code, shippers may query and withhold against TRE (transportation) reconciliation charges, however payment in full is required against GRE (energy) reconciliation charges, with the bill for interest on these adjustments being borne by the community.

This proposal seeks to incentivise Transco to resolve and adjust valid shipper disputed GRE invoice queries in a timely manner. This proposal is consistent with ensuring Transco efficiently and economically discharge their responsibilities in this area.

### **NATURE OF PROPOSAL**

The nature of this modification proposal is to incentivise Transco to achieve specific service standards (those for resolving and adjusting GRE invoice queries raised by shipper).

Where a GRE invoice query identifies an overpayment of GRE charges, Transco will make a liability payment if the financial adjustment is not processed within the agreed timescales. The liability payment will be offset against the interest billed to the community via smearing.

Any incentive payment made by Transco to shippers will be aggregated on a monthly basis and shared amongst shippers using the relevant months UDQI's and UDQO's.

It should be noted that this proposal refers to queried GRE invoice charges and does not refer to primary reconciliation.

Liabilities paid by Transco under this proposal will be subject to the provisions of the current service standard regime introduced under Modification 0204 "Amendment to Standards of Service". It is proposed that this liability would be included within sub Cap B.

**CONSEQUENCE OF NOT MAKING THIS CHANGE:**

Transco will continue to have insufficient incentives to resolve GRE invoice queries in a timely manner, and shippers will continue to be unable to mitigate any loss sustained through late adjustments.

**LEGAL TEXT:**

To be supplied by Transco.

**Sections of Network Code impacted:**

E, F and S

**IDENTITY OF PROPOSER'S REPRESENTATIVE:** Alison Kuck

**PROPOSER:** Nicola Lea

**SIGNATURE:**

**POSITION:** Network Code Analyst

**COMPANY:** TXU Europe Energy Trading Ltd

**MODIFICATION PANEL SECRETARY'S USE ONLY**

Reference Number: 0385

Date Received: 09/02/2000