

## Representation

### Draft Modification Report

#### **0326VV - Allocation of unidentified gas following the appointment of the Allocation of Unidentified Gas Expert (AUGE)**

**Consultation close out date:** 06 January 2012

**Respond to:** enquiries@gasgovernance.co.uk

**Organisation:** SSE

**Representative:** Mark Jones

**Date of Representation:** 06 January 2012

#### **Do you support or oppose implementation?**

Support

#### **Please summarise (in one paragraph) the key reason(s) for your support/opposition.**

The process of identifying unallocated costs by the AUGE is a very complex one and the AUGE can only allocate based on information known at a point in time. It is entirely feasible that at a later date information comes to light that changes the AUGE's view of unidentified gas, and thus would change the reallocation that should be applied to a previous period. It is a very similar principle to other errors such as large metering errors, where once the information is known then there is a reallocation of energy and costs for previous time periods based on this new information.

#### **Are there any new or additional issues that you believe should be recorded in the Modification Report?**

No.

#### **Relevant Objectives:**

*How would implementation of this modification impact the relevant objectives?*

We agree with the proposer that implementation of this modification would better facilitate relevant objectives (d) and (f). A more accurate allocation of unallocated gas costs between market sectors will help secure competition and will help improve the intent of Modification 0229.

**Impacts and Costs:**

*What analysis, development and ongoing costs would you face if this modification were implemented?*

None.

**Implementation:**

*What lead-time would you wish to see prior to this modification being implemented, and why?*

This modification could be implemented as soon as possible.

**Legal Text:**

*Are you satisfied that the legal text will deliver the intent of the modification?*

Yes.

**Is there anything further you wish to be taken into account?**

*Please provide any additional comments, supporting analysis, or other information that that you believe should be taken into account or you wish to emphasise.*

No.