

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: **Scotland and Southern Gas Networks (SGN)**

Representative: Erika Melén

Date of Representation: 23 December 2011

Do you support or oppose implementation?

Comments

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

SGN would like to offer comments only in regards to this UNC Modification Proposal.

The AUGE was established following lengthy industry discussions and the implementation of UNC Modification 0229 in an attempt to distribute unallocated gas costs across both SSP and LSP shippers. UNC Modification 0326VV has been raised to enable the retrospective allocation of costs through the AUGE from any future issues discovered.

The modification makes reference to metering errors as the main future issue which could be addressed by this proposal but following industry discussions it has now been clarified that this issue will not have an impact on the AUG allocation of costs. As such, at this point in time, SGN are uncertain as to which types of errors could utilise this proposed reconciliation process if implemented.

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

No

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Version 1.0

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Relevant Objectives:

How would implementation of this modification impact the relevant objectives?

SGN agree that the accurate allocation of costs across the shipper community may better facilitate effective competition as per Relevant Objective (d).

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?

None

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