

## Representation

### Draft Modification Report

#### 0451 0451A (Urgent): Individual Settlements For Pre-Payment & Smart Meters

**Consultation close out date:** 09 September 2013  
**Respond to:** enquiries@gasgovernance.co.uk  
**Organisation:** Winchester Gas  
**Representative:** Huw Comerford  
**Date of Representation:** 23 August 2013

#### Do you support or oppose implementation?

**0451** - Support

**0451A** - Not in Support

#### If either 0451 or 0451A were to be implemented, which would be your preference?

Prefer **0451**

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

We have submitted evidence, in the form a daily meter reads, that shows that the profile of the pre-payment customer is flatter than that of a standard domestic customer which effectively results in over allocation in the winter and under allocation in the summer period. With the variances between gas prices in the summer and winter period this can have a significant impact on a shipper especially a shipper focusing on this sector of the market. This impact can increase significantly in colder winters to a degree we saw an over allocation of over 10% for the previous winter. This creates an unsustainable position for any shipper, but especially a small shipper. We have chosen to support the original version of this modification as we strongly believe that there is a case for retrospection as the current method of allocation meant that we saw, due to the colder winter last year, a larger over allocation that we had historically seen and could not have reasonably predicted.

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

No

#### Relevant Objectives:

*How would implementation of these modifications impact the relevant objectives?*

Any increase of the accuracy of cost allocation can only help effective competition as it will enable shippers to set more accurate and cost reflective tariffs.

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**Impacts and Costs:**

*What analysis, development and ongoing costs would you face if either of these modifications were implemented?*

**Implementation:**

*What lead-time would you wish to see prior to either of these modifications being implemented, and why?*

We have proposed a 1<sup>st</sup> October effective date for an alternative profile and wouldn't expect to make any changes if either modification was implemented.

**Legal Text:**

*Are you satisfied that the legal text and the proposed ACS (see [www.gasgovernance.co.uk/proposedACS](http://www.gasgovernance.co.uk/proposedACS)) will deliver the intent of the modifications?*

We have not seen the final version of the legal text and therefore are unable to comment.

**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