

**Representation - Draft Modification Report 0527**  
**Implementation of Annual Quantity arrangements (Project Nexus transitional modification)**

**Responses invited by: 12 May 2015**

<b>Representative:</b>	Colette Baldwin
<b>Organisation:</b>	E.ON
<b>Date of Representation:</b>	12 <sup>th</sup> May 2015
<b>Support or oppose implementation?</b>	Support
<b>Relevant Objective:</b>	f) Positive

**Reason for support/opposition: Please summarise (in one paragraph) the key reason(s)**

We believe that one of the principle benefits of Nexus was the delivery of a more accurate and agile AQ regime which was able to reflect consumption changes as they occur, resulting in a closer relationship between the gas actually used by customers and the gas allocated under current rules, reducing gas “purchase v sales” cost differences which ultimately finds its way into customer prices. This proposal offers the protection from spurious readings being used within the AQ calculation as the Rolling AQ regime begins. It will enable customers to benefit from Rolling AQ as soon as qualifying reads permit whilst protecting the market from foreseeable error.

**Implementation:** *What lead-time do you wish to see prior to implementation and why?*

We agree that this should be implemented with Nexus Go-Live.

**Impacts and Costs:** *What analysis, development and ongoing costs would you face?*

These are contained within the costs of our Nexus programme delivery costs and aren't singled out for this modification.

**Legal Text:** *Are you satisfied that the legal text will deliver the intent of the Solution?*

Yes

**Are there any errors or omissions in this Modification Report that you think should be taken into account?** *Include details of any impacts/costs to your organisation that are directly related to this.*

No

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

None