

Representation - Modification UNC 0724 (Urgent)

Amendment to Ratchet charges during COVID-19 period

Responses invited by: 1pm on 27 April 2020

To: enquiries@gasgovernance.co.uk

Please note submission of your representation confirms your consent for publication/circulation.

Representative:	Gareth Evans
Organisation:	ICoSS
Date of Representation:	27 April 2020
Support or oppose implementation?	Support
Relevant Objective:	a) Positive

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

We agree with the proposer's view that sites that are exceed anticipated gas use by increase production to combat the COVID-19 pandemic should not be penalised via the ratchet regime for doing so. This modification helps reduce those costs and it is an important first step to removing this potential disincentive.

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

Owing to the need to provide certainty to customers they will not face excessive charges for increasing production, this change needs to be implemented as soon as possible.

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

Shippers not face any immediate additional costs.

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

We have reviewed the legal text and have identified a drafting error in 5.1(b) which refers to UNC TPD B4.8.4.3 and we believe it should refer to UNC TPD B4.7.8

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.*

We note that the intent of the modification is to ensure that Class1 daily metered customers that exceed their SOQ as a result of increasing production to meet COVID-19 requirements are not penalised for doing so. This modification, whilst reducing cost from ratchets for those customers, does not eliminate them. We suggest that the Class 2 provisions are extended to qualifying Class 1 sites for ratchet charge calculations.

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

None.