

## Representation - Modification UNC 0721 (Urgent)

### Shipper submitted AQ Corrections during COVID-19

**Responses invited by: 1pm on 27 April 2020**

**To:** [enquiries@gasgovernance.co.uk](mailto:enquiries@gasgovernance.co.uk)

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

<b>Representative:</b>	Gareth Evans
<b>Organisation:</b>	ICoSS
<b>Date of Representation:</b>	27 April 2020
<b>Support or oppose implementation?</b>	Support
<b>Relevant Objective:</b>	d) Positive

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

We agree with the proposer's view that many sites' AQs are too high as a result of the shutdown of many businesses owing to the COVID-19 pandemic and that a process is needed to re-align the AQ to their expected consumption to improve settlement accuracy.

The solution provided allows that to be done quickly and effectively by utilising existing processes. We accept the need to manage the potential number of AQ corrections by restricting this process to EUC Bands 2-9.

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

Owing to the continuing negative impact of inaccurate AQs on the market, this change needs to be implemented as soon as possible. We accept however that, owing to system constraints, these new AQs will not become effective until 1 June.

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

Shippers will need to develop processes to identify sites that can benefit from a revised AQ, calculate a revised value and submit them if they wish to utilise this process.

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

We have reviewed the legal text and have not indicated any concerns with the drafting.

**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.*

None identified.

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

ICoSS has been tracking the impact on the non-domestic market from the COVID-19 pandemic and there has been an overall reduction in business demand of around 20-25%. This demonstrates the need for a timely correction to the AQs for larger sites.