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Shipper	Name	Date	Accept/Reject	Publish	Shipper Comments	xoserve / DN Response
SSE Energy Supply Ltd	Cher Harris	23/02/07	REJECT		<p>1) we accept the proposed file format definitions;</p> <p>2) Of the two options discussed (SPA and IAD), we prefer the IAD, as changes to SPA files would have a significant systems impact and cannot be cost justified for the small number of Supply Points affected. Given the relatively small number of eligible customers, we could potentially use the IAD to check their status, however we would have to check every large I&C Customer we intend to quote for, not just those which proceed to a formal Nomination request. Simply asking the customer to provide this information up front is not the answer either as we generally deal with an energy consultant at this stage, rather than the end customer. As a 'failsafe', and in addition to the IAD provision, it would be extremely useful if Xoserve could also notify the Nominating Shipper, via email, if the Supply Point is interruptable;</p> <p>3) The provision of this information to Nominating and Registered Shippers is critical because it has a major financial impact on contracts with such customers. It is important to understand that by time a Shipper formally Nominates the site, they are likely to have already provisionally agreed a contract with the customer, so in future contracts must be carefully worded to ensure that the terms can be changed even at this</p>	<p>Noted</p> <p>The preference for IAD has been noted.</p> <p>However, xoserve does not support the request to also notify the nominating Shipper via e-mail, as this would require a manual process to replicate an automated solution. If a Shipper has already decided to submit a nomination, it is a reasonable expectation that enquiries in respect of interruptible status will already have been made.</p> <p>There is a 3 year lead time prior to contracts taking effect – contracts awarded in July 2007 will not take effect until October 2010. This will give plenty of time for legal and procedural issues to be resolved.</p>

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				<p>late stage in the process, if it is discovered that the customer has interruptable rights. Consequently, before this proposal can be implemented, we must insist on sufficient time to carry out a full legal review of our Supply Contracts, and time to revise business procedures to carry out these extra checks and negotiations.</p> <p>We strongly reject this change being promoted as a Class 1 Modification as it has major impacts on our business procedures, Contract terms and cost to serve. We still have serious concerns about how this process will actually work and believe there are still a number of issues outstanding. For example, what happens to gas we have purchased that doesn't then get used due to an interruption? The volume is likely to be below the minimum threshold for trading back to the Network but could still have a high financial value to us if the interruption was due to a national shortage. Also, who informs the customer that they need to interrupt? If it is the DN, will they also communicate with the Shipper/Supplier? And how are interruption payments made - will the Supplier need to implement financial systems and procedures to process the payments? What happens if the customer moves property shortly after, or during, the bid stage? Presumably the interruption rights would not automatically transfer to the new occupier of the site, and would not be transferred to the original customer's new</p>	<p>xoserve acknowledges this position, and has noted that the February meeting of the UK LINK Committee deferred a decision to waive the 4 months notice period.</p> <p>DNs will engage with Shippers/End Users through Shipper/Customer forums prior to the tender process.</p> <p>The physical impacts of the reform will not take effect until October 2010.</p> <p>DNs will inform Shippers/Suppliers when interruption is required. Shippers/Suppliers will then inform their customers. (unless in an Emergency when DNs may need to go direct to End Users if</p>
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					<p>site either. Does this then mean that the original bid becomes null and void and we would have to wait for the next auction to start the process again, or will there be a means to update the status of the original bid if the new occupier wished to retain the interruptable rights?</p> <p>This new process places a considerable administrative burden on the Supplier, who has to not only make these additional checks during the quotation and Nomination stages, but also has to enter the bid on the customer's behalf and manage the output. If the bid is successful, the Supplier would then have to manually adjust the customer's tariff and billing arrangements. Due to the timing of the auction, this could happen mid-way through a Supply Contract period, so it would be difficult for the Supplier to recoup the costs of this admin - worse still, the customer could end their Supply Contract shortly afterwards so the Supplier would have no way of reclaiming it's expenses</p>	<p>required)</p> <p>The option fee will be a monthly payment, and exercise fees will be paid for each day that interruption has occurred.</p> <p>Interruptible rights will remain with the Supply Point. There is a possibility that an adhoc process will be required in some circumstances.</p> <p>The Bid will still be valid.</p>
Npower	David Mayne	23/02/07			<p>We prefer a manual solution for DN Interruption reform, and would want to see the proposed solution before agreeing to waive the lead time on this change, though we appreciate that there is a requirement to implement swiftly. Again, the proposed solution being manual or automated would largely dictate where the data indicating this is held and at present we decline to comment on this.</p>	<p>The preference for a manual solution is noted.</p>