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National Gas Emergency Service - 0800 111 999* (24hrs)
*calls will be recorded and may be monitored

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6th January 2014
Your Reference:UNC Modification Proposal 0434

UNC Project Nexus – Retrospective Adjustment

Dear Bob,

Thank you for your invitation seeking representations with respect to the above Modification Proposal for which National Grid Gas Distribution (NGD) would like to support.

Do you support or oppose implementation?

Support

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

As proposer NGD advocates implementation of this Modification Proposal on the basis that we believe it appropriate to provide an enhanced opportunity for Users to ensure the data held on the Supply Point Register is accurate and reflects the actual position of a Supply Meter Point at any point in time.

However, we do have a concern that providing the ability for Users to submit retrospective data updates should not discourage industry parties from providing accurate and timely data in accordance with their UNC or licence obligations.

We anticipate that reporting of the number of retrospective updates and the value of subsequent energy adjustments should be made available to the industry to enable monitoring of the volume of such updates being submitted by Users during their own period of ownership and updates in a previous Users ownership. We anticipate that such requirements would be reflected in the recommendations and output of the Performance Assurance Workgroup.

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

We have not identified any such issues.

Relevant Objectives:

How would implementation of this modification impact the relevant objectives?

Standard Special Condition A11.1 (f): 'Promotion of efficiency in the implementation and administration of the Code'. NGD concurs with the opinion set out in the Draft Modification Report that implementation would facilitate improvements to the accuracy and quality of data held on the Supply Point Register. Our view is that the measures identified in this Modification Proposal clearly facilitate this objective given the criticality of data to relevant Code processes.

We also believe that implementation of the changes identified within this Modification would also facilitate Relevant Objective d) 'Securing of effective competition between Users' by providing an enhanced ability to provide and maintain accurate data on the Supply Point Register. However we note this would be 'after the event' and could be construed as being at least in part a consequence of the failure of a User to submit and maintain timely and accurate data in the first instance.

Impacts and Costs:

We concur with the statement in the Draft Modification Report concerning the funding of this Modification Proposal and have no further comment in this respect.

Implementation:

What lead-time would you wish to see prior to this modification being implemented, and why?

This Modification Proposal can be implemented with effect from 1st October 2015 upon direction by the Authority.

Legal Text:

NGD has provided legal text and is satisfied that the drafting as published by the Joint Office within the Draft Modification Report meets the requirements of the Modification Proposal.

We note that it is proposed that the Modification Proposal be implemented on 1st October 2015. Consequently it is likely that UNC Modifications will be subsequently brought forward which may impact on the proposed legal text. Two scenarios may arise where the Project Nexus text could be affected. Firstly, 'enduring' Modifications which are implemented prior to Nexus implementation (1st October 2015) will need two versions of text – one for the existing Code and one post Nexus. Secondly, UNC Modifications not due to be implemented until on or after Nexus implementation date will need one version of text. This would need to be appropriate to that to be implemented for Nexus.

It is our intention to introduce a mechanism to monitor the production and impacts of any new proposed text over the ensuing period. We anticipate working closely with the Joint Office, GDNs and UNC Modification Panel & Committee to ensure that the integrity of UNC legal text both pre and post Project Nexus implementation is maintained.

Is there anything further you wish to be taken into account?

This Modification Proposal identifies a 'safety net' for Users whereby data can be retrospectively updated to the Supply Point Register. There is a risk that this could lead to Users being less concerned with getting data correct 'first time'.

We trust that this information will assist in the compilation of the Final Modification Report.

Please contact me on 01926 653541 (chris.warner@nationalgrid.com) should you require any further information.

Yours sincerely,

Chris Warner
Network Code Manager, Distribution