

Representation - Draft Modification Report 0520 0520A Performance Assurance Reporting

Responses invited by: 10 March 2016

To: enquiries@gasgovernance.co.uk

Representative:	Mark Jones
Organisation:	SSE
Date of Representation:	10 March 2016
Support or oppose implementation?	0520 - Oppose 0520A - Support
Alternate preference:	<i>If either 0520 or 0520A were to be implemented, which would be your preference?</i> 0520A
Relevant Objective(s):	0520 a) None d) Positive 0520A a) None d) Positive

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

SSE is fully supportive of the introduction of a Performance Assurance regime and this modification is a good first step at reporting on the key indicators that have been identified to date. However, we have a concern that with the introduction of Project Nexus and the undoubted challenges that this is going to bring, that to implement Modification 520, with reporting on a non-anonymised basis, is a step too far at this stage. SSE is supportive of the solution in Modification 520A which allows a 'soft landing' as we see this modification as being principally a post Nexus reporting modification, especially as Modification 0506 has been approved. Some time after the implementation of Project Nexus and after the new regime has been in place for a period

of time, development of actual targets can be determined, and then potentially, when the Industry has been subject to a period of stability, there could be the justification to move to a Modification 520 type reporting approach on a non-anonymised basis. It is important to develop targets, as without these the worst performing Shipper could be seen to be having a poor performance, but given that a Shipper has to be at the bottom of any reporting measure, it is important to have a standard to report against to measure all Shippers' performance.

Post Nexus there could be system issues which impact some Shippers perceived performance due to the way and timescales reports are constructed, and also there could be reasons for some Shippers' performances being affected by other Shippers' data quality or actions which will need to be resolved post Nexus. Reports from Modification 520 could end up in the public domain and if this happens then the public perception of certain Shippers could be affected.

Modification 0520A provides non anonymised reports to members of the Performance Assurance Committee who will be familiar with Industry developments and issues and who can take into account any mitigating reasons and actions for any perceived poor performance by a Shipper or Shippers.

Self-Governance Statement: *Please provide your views on the self-governance statement.*

SSE does not believe that either modification meets the self-governance criteria

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

Either modification could be implemented as soon as possible after the Authority's decision.

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

None identified.

Legal Text: *Are you satisfied that the legal text and the proposed Agency Charging Statements (ACS) (see www.gasgovernance.co.uk/proposedACS) will deliver the intent of the Solutions?*

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