

## Representation - Draft Modification Report UNC 0687V

### Creation of new charge to recover Last Resort Supply Payments

**Responses invited by: 5pm on 30 December 2021**

**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>	Jon Flitney
<b>Organisation:</b>	British Ceramic Confederation
<b>Date of Representation:</b>	23 <sup>rd</sup> December 2021
<b>Support or oppose implementation?</b>	Support
<b>Relevant Charging Methodology Objective:</b>	<p><b>a)</b> Positive</p> <p><b>c)</b> Positive</p>

*The consultation is aimed at establishing if the content/effect of the variation have caused you to change a view that you previously expressed, or to take a view that you had not previously considered. Please note any representation received in respect of Modification 0687 will be carried forward should parties not wish to change their original representation.*

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

We support the overall principal that Last Resort Supply Payments are allocated according to the market sector from which they arise, determined by whether a site is a domestic or non-domestic meter point. It allows a fairer distribution of recovery of the costs.

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

No comments.

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

No comments.

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

We have not reviewed the legal text.

**Modification Panel Members have requested that the following questions are addressed:**

*Q1: What are the impacts for industry if the mandatory timeframes for changes to DN tariffs are not met?*

No comments.

*Q2: Based on the estimated SOLR levy costs published by DNs on 01 November 2021 which total approx. £900m (available in indicative charging statements, albeit with uncertainty, here: <https://www.gasgovernance.co.uk/indic/2022>, and an indicated split between domestic (80%) and non-domestic (20%) based on 0687, do Parties have any comments on the methodology proposed in 0687V?*

No comments.

*Q3: What is the impact on markets and industry of the inclusion of wholesale costs in the varied Modification 0687V?*

No comments.

*Q4. Do parties have any comments regarding the technical delivery of the Code solution proposed by the CDSP and under discussion at DSC Change Management Committee as detailed here: <https://www.xoserve.com/change/change-proposals/xrn-4992-modification-0687-creation-of-new-charge-to-recover-last-resort-supply-payments/>*

*(Note this has been progressing under the standard process through the DSC Change Management Committee since 2019, so more up to date information is available - Option 4 – interim for 01 April 2022 implementation and Option 1 enduring for future implementation).*

No comments.

*Q5: What is the impact on industry of the timeline of this Modification?*

<i>Consultation close out 5pm</i>	<i>30/12/21</i>
<i>FMR to Panel for reading</i>	<i>05/1/22</i>
<i>Panel consideration</i>	<i>12/1/22</i>
<i>FMR to Ofgem</i>	<i>12/1/22</i>
<i>Ofgem decision expected</i>	<i>20/1/22</i>
<i>Deadline for publication of DN charges</i>	<i>31/1/22</i>

No comments.

**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 comments.

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

No comments.