

Representation

Draft Modification Report

Modification Report Representation - Draft Modification 0634 (Urgent) - Revised estimation process for DM sites with D-7 zero consumption

1. Consultation close out date: 3rd November 2017
2. Respond to: enquiries@gasgovernance.co.uk
3. Organisation: Gazprom Energy
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1 Tony Wilson Place
First Street
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4. Representative: Steve Mulinganie
Regulation Manager
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0799 097 2568
5. Date of Representation: 27th October 2017
6. Do you support or oppose Implementation:
We **Do Not Support** implementation of Modification 0634
7. Please summarise (in 1 paragraph) the key reason(s) for your position:
Whilst we understand the desire to address concerns around transitional issues relating to Daily Metered (DM) sites we do not believe the proposal will address those issues. Indeed evidence provided at the only meeting allowed to discuss the proposal showed that the **proposal if implemented would have a detrimental impact** on both transitional and business as usual arrangements.

At the **only meeting** available to discuss concerns it was noted that DM issues represent circa 1% of UIG and of this 10 sites represent 50% of the 1%. **None** of these 10 sites would be addressed by this proposal. Indeed of the 31 sites which have a 0 consumption **21 appear to be valid**. Thus implementing this proposal would have led to 21 valid 0 consumption being erroneously changed.

So the proposal as set out would not only fail to address the transitional DM issues it would erroneously correct 70% of correctly determined 0 consumptions!

We would also note that the **proposal is enduring** and thus would have a broader continuing negative impact on business as usual based on the evidence presented.

8. Are there any new or additional Issues for the Modification Report:

No

9. Self-Governance Statement Do you agree with the status?

NA

10. Relevant Objectives:

How would implementation of this modification impact the relevant objectives?

We **disagree** this modification is positive in respect of Relevant Objective (d)

11. Impacts & Costs:

What analysis, development and on-going costs would you face if this modification was implemented?

We believe the proposal will impact Customers and Shippers negatively in that it will require additional resources to be put in place to, in the **majority of cases** circa 70%, correct the valid 0 consumptions which have been replaced with erroneous consumptions

12. Implementation:

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

We **do not** support implementation

13. Legal Text:

Are you satisfied that the legal text will deliver the intent of the modification?

We have **no** comments on the Legal Text provided.

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

Please provide any additional comments, supporting analysis, or other information that you believe should be taken into account or you wish to emphasise.

We are concerned that the urgent timetable allowed for little exploration of the proposed solution and if evidence had not been available/provided at the only meeting which discussed the proposal then we would not have been in possession of vital evidence highlighting the fundamental flaws in the solution.