

**Representation - Workgroup Report**

**UNC 0642 (Urgent) 0642A (Urgent) - Changes to settlement regime to address Unidentified Gas issues**

**UNC 0643 (Urgent) - Changes to settlement regime to address Unidentified Gas issues including retrospective correction**

**Responses invited by: 5pm on 08 February 2018**

To: [enquiries@gasgovernance.co.uk](mailto:enquiries@gasgovernance.co.uk)

<b>Representative:</b>	Tim Cowling
<b>Organisation:</b>	Tarmac
<b>Date of Representation:</b>	8 <sup>th</sup> February 2018
<b>Support or oppose implementation?</b>	0642 – Qualified Support – see comments * <i>delete as appropriate</i> 0642A – see comments <b>0643 - Support</b> * <i>delete as appropriate</i> <b>UNC 0643 is preferred</b> to UNC 0642 as it will be backdated to 1 June 2017. Should neither UNC 0642 nor UNC 0643 be implemented, UNC 0642A would be preferable to no change at all.
<b>Alternate preference:</b>	<i>If either 0642, 0642A or 0643 were to be implemented, which would be your preference?</i> <b>0643</b> * <i>delete as appropriate</i>
<b>Relevant Objective:</b>	<b>d) Positive</b> * <i>delete as appropriate</i>

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

Tarmac supports the implementation of proposal 0643 as this proposal will provide more accuracy in the methodology for calculating the unidentified gas charges than the current process. Improved accuracy will reduce unnecessary cost to the business.

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

The earliest implementation possible is favoured to realise the cost reduction and maximise overall savings for the business.

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

There will be an ongoing cost reduction through reducing inaccuracies in calculation methodology.

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

No comment.

**Are there any errors or omissions in this Workgroup 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 comment.

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

The calculations for the unidentified gas charges need to be more accurate. Through discussions with our gas supplier, Tarmac understands that the new simulations proposed under 0643 will be much more accurate than the existing methodology. It is unreasonable to be making charges for 'errors' in the calculation methodology that are then passed onto the consumer. Therefore the proposal to implement 0643 is preferred, as it should reduce costs to the business.