

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

Representative:	Rebecca Hooper
Organisation:	British Lime Association
Date of Representation:	8 th February 2018
Support or oppose implementation?	<p>0642 - Qualified Support</p> <p>0642A - Comments</p> <p>0643 - Support</p> <p>BLA supports the implementation of UNC 0643. Given the backdating to 1 June 2017, it is preferred to UNC 0642. UNC 0642A is not the preferred option but is preferable as a last resort to no change being implemented.</p>
Alternate preference:	<p><i>If either 0642, 0642A or 0643 were to be implemented, which would be your preference?</i></p> <p>UNC 0643</p> <p>If UNC 0643 is not implemented, BLA prefers the implementation of UNC 0642 over UNC 0642A. UNC 0642A is not the preferred option but is preferable as a last resort to no change being implemented.</p>
Relevant Objective:	d) None

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

The current system does not appropriately allocate the costs of unidentified gas to consumers. The existing approach has significant variability and is unpredictable, both of which in turn have cost implications for gas consumers as high levels of unidentified gas billed at times of peak cost many be followed by low levels of unidentified gas billed at times of low cost. Thus there is no balance across the system and a risk of disbenefit to customers. However, the risk is impossible for consumers to manage or mitigate and

difficult to track. UNC 0642 and 0643 are preferred methods to correct the systematic imbalance since these provide a more stable and predictable pricing arrangement for consumers. UNC 0643 is preferred given the backdating to 1 June 2017.

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

The changes should be implemented as soon as possible.

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

No Comment

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

No Comment