

UNC Variation Request

UNC 0664V - Transfer of Sites with Low Read Submission Performance from Class 2 and 3 into Class 4

Date: 07 June 2021

The Proposer, SSE, requests a variation to this modification, pursuant to UNC Modification Rules Section 6.5.1(c) of the UNC.

Reason for Variation

A representation was received to UNC 0664V relating to the fact that as Suppliers often carry out a number of Shipper functions on behalf of their Shipper, the poor performance of a Supplier under a Shipper that is Shipping gas for multiple Suppliers could result in that Shipper not meeting the Minimum Performance Measure. This would negatively impact other Suppliers under that Shipper as any individual Supply Points that fail the Minimum Percentage Requirement would all have to be reclassified due to the overall Shipper failure, even though the portfolio sub-set for some Suppliers under the Shipper would have met the Minimum Performance Measure.

Furthermore, during discussions of Modification 0664V at Distribution Workgroup meetings, the CDSP disclosed the fact that due to the way the Central Switching Service will work under the Faster Switching arrangements, the systematised Lock-out Period proposed in Modification 0664V cannot be implemented.

Nature of Variation

Modification 0664V has been amended to create a separate Minimum Performance Measure for each Shipper and Supplier combination so that the poor performance of one Supplier does not negatively impact other Suppliers under that Shipper. However, if the overall Shipper Minimum Performance Measure Target is met then no Supply Points will have to be reclassified, even if any individual combinations of Shipper and Supplier fail to meet the Minimum Performance Measure.

The reporting has also been amended so that reporting from the CDSP to Shippers is at the Shipper and Supplier combination level and not at the overall Shipper level. However, reports that the PAC receive remain unchanged as the PAC monitors at the overall Shipper level against UNC obligations.

The Lock-out Period has been removed as it is unenforceable. The current minimum 2 month period between Product Class changes for a Supply Point will remain under the Faster Switching Arrangements unless there is a change of Shipper or Supplier at the Supply Point.

Also, following a further review at the Modification 664V Workgroup, it was agreed that the variation should contain an additional provision to exempt any Supply Point with a NExA from being reclassified as Class 4.

Legal text to compliment this variation has been produced and was available for review at Workgroup meeting held in May.

Following discussions at UNC Panel meetings, where advice was provided by the Authority, and also at Distribution Workgroup meetings, it is the Proposer's view that the varied modification should be subject to Self-governance Procedures and should not be subject to an Authority Decision.

Proposer's Representative

Mark Jones

Proposer

SSE