

Representation - Draft Modification Report UNC 0840 (Urgent) Equalisation of prepayment and non-prepayment AUG factors

Responses invited by: **5pm on 13 March 2023**

To: enquiries@gasgovernance.co.uk

Please note submission of your representation confirms your consent for publication/circulation.

Representative:	Claire Louise Roberts
Organisation:	ScottishPower
Date of Representation:	13 th March 2023
Support or oppose implementation?	Support
Relevant Objective:	d) Positive

Reason for Support: Please summarise (in one paragraph) the key reason(s)

We are very reluctant to deviate from the key principles of the AUGE, namely the polluter pays principle. However, we consider that in this case, given there are some areas of doubt relating to the allocation of UIG to prepayment customers *and* the impact on prepayment customers is significant, in this instance we agree with the proposer that the modification should be implemented.

For example, the AUGE within their final draft states that there was insufficient time to consider the output of RECCO's Theft Estimation Methodology in relation to the 2023-2024 weighting factors.

It would be helpful for the AUGE to be clear how it will equalise factors and we propose that it should smear domestic prepayment costs across domestic customers only and SME prepayment costs across SME customers only.

If this modification is implemented, it will significantly reduce the existing detriment for domestic prepayment Consumers. The main impact is likely to be relating to domestic customers.

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

If implemented minimal lead time would be required assuming information and timeframes are as existing.

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

As this modification followed an urgent direction, we have not had sufficient time to fully impact access.

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 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.*

There is lack of clarity on how the revised factors will be determined by the AUGÉ.

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

N/A