

Representation

Draft Modification Report

0399: Transparency of Theft Detection Performance

Consultation close out date: 02 March 2012
Respond to: enquiries@gasgovernance.co.uk
Organisation: RWEpower
Representative: Richard Vernon
Date of Representation: 29th February 2012

Do you support or oppose implementation?

Not in Support

Please summarise (in one paragraph) the key reason(s) for your support/opposition.

We support the intent of this modification i.e.

- Shippers currently do not see the impacts of theft in the course of conveyance.
- Current process prevents proper scrutiny of the theft assumptions within the Shrinkage model.
- Any increase in the amount of theft in the course of conveyance detected will lead to an increase in the amount of revenue recovered by Network Owners from those who steal, and therefore a decrease in absolute costs.

However;

We would question the benefit of removing anonymity from these reports as it has not been proven that publication of this type of data will change behaviour. Other well established performance techniques within the industry retain anonymity and remain effective.

Further to this Shippers / Network Operators are constructed of portfolio's which differ in terms of; Customer Type (non-domestic /domestic), Geographic location (and probably other factors). This would not produce comparable statistics which may be misleading if viewed in a public domain. Additionally a benchmark is not possible as we do not know enough about competitor portfolios to make required assumptions. This information is generally commercially confidential.

Are there any new or additional issues that you believe should be recorded in the Modification Report?

No.

Relevant Objectives:

How would implementation of this modification impact the relevant objectives?

This modification would provide more information regarding theft in conveyance.

Impacts and Costs:

What analysis, development and ongoing costs would you face if this modification were implemented?

Minor resource impact.

Implementation:

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

N/A.

Legal Text:

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

Yes.

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

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

The pending OFGEM decision on SETS/NRPS could impact this modification.

We would support a comprehensive performance assurance function that incorporates the intent of this mod.