

John Bradley UNC Panel Secretary 31 Homer Road Solihull West Midlands B91 3LT

10 August 2009

Dear John

EDF Energy Response to UNC Modification Proposal 0253: "Facilitating a Supply Point Enquiry Service for Large Supply Points".

EDF Energy welcomes the opportunity to respond to the UNC Modification Proposal. We do not support implementation of Modification Proposal 0253.

This proposal would allow Transporters, via their agent, to release all the data that is available at a Supply Point Enquiry for all LSP MPRNs without the requirement for a Supply Point Enquiry. The format of this report and the information contained within the report are outside of the scope of this proposal as they would be governed through the User Pays Contract. However we would note that compared to the UNC the Governance arrangements around the User Pays Contract are limited with only signatories being able to raise or implement changes to the contract. We therefore believe that this will be detrimental to the achievement of the relevant objectives.

In addition we would note that:

- Under the User Pays Contract there are no limits as to the type of reports produced. This could therefore result in reports being developed that target particular Shippers' portfolios, or particular customer classes. We believe that this would be detrimental to competition.
- Only Shippers who have signed the User Pays Contract are able to vote on any changes to it. Currently only a handful of market participants have signed the contract including Centrica. There is therefore a risk that they could force through changes to the User Pays Contract that would not have taken place under the UNC Governance arrangements.
- Currently Shippers can only gain access to this information by submitting a Supply Point Enquiry, thereby creating an audit trail as to which Shippers have submitted a Supply Point Enquiry for sites. This therefore ensures that Shippers are not abusing the process. However implementation of this proposal will remove this audit trail, potentially opening up the ability to abuse this information and processes.
- The UNC currently requires Shippers to be "contemplating submitting a supply point nomination" when submitting a Supply Point Enquiry. Whilst we recognise that the intent of this wording can be debated we believe that this requires Shippers to have had contact with the prospective customer prior to submitting a Supply Point Enquiry. Implementation of this proposal would lead to Shippers having access to this information prior to having any customer contact. This could lead to unwarranted approaches from Shippers which in turn could have a detrimental impact on the customer experience.

Finally EDF Energy would note that it is disappointing that legal text was not available to support the consultation on this modification proposal. In particular we would note that

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whilst the text should be relatively straight forward to release the information it is whether it addresses the issue created by the inclusion of the term "contemplating" in section G 1.17 that is relevant. Our current view is that unless the phrase "contemplating" is removed from the UNC then Shippers should only have access to the Supply Point Enquiry information if they have had contact with a potential customer or broker.

In relation to the particular comments raised in the modification proposal EDF Energy would make the following comments:

3. Extent to which implementation of the proposed modification would better facilitate the relevant objectives:

Standard Special Condition A11.1 (d): so far as is consistent with sub-paragraphs (a) to (c) the securing of effective competition: (i) between relevant shippers; ...

Implementation of this proposal would provide information to Shippers to allow them to cold call and target customers. Those Shippers who could benefit most would be those with larger sales team and call centres, thereby benefitting larger organisations. This could therefore be viewed to be detrimental to competition.

In addition as this proposal would place the report delivery under the User Pays contract there is a risk that signatories to the contract could force through a User Pays service that allowed them to cherry pick customer types, or target a particular Shippers' portfolio. We believe that this would also be detrimental to competition.

Standard Special Condition A11.1 (f): so far as is consistent with sub-paragraphs (a) to (e), the promotion of efficiency in the implementation and administration of the network code and/or the uniform network code;

It would be beneficial to have had sight of the legal text to inform our response to this area. In particular we would note that one potential outcome is that the legal text retains the current wording in section G and introduces new text to section V to allow the Transporters to release this information. Potentially therefore the release of this information under the UNC would be covered by two separate sections. This would not be seen to be efficient.

7. The high level indication of the areas of the UK Link System likely to be affected, together with the development implications and other implications for the UK Link Systems and related computer systems of each Transporter and Users.

Provided that the current Supply Point Enquiry service was maintained then EDF Energy would only experience additional costs if we chose to utilise the User Pays report. However we would note that as legal text has not been provided it is not clear that this is the case.

We therefore believe that changes to Users' systems may be required to support this proposal; however we believe that this would be a commercial decision for Shippers.

9. The implications of implementing the Modification Proposal for Terminal Operators, Consumers, Connected System Operators, Suppliers, producers and, any Non Code Party Implementation of this proposal would significantly increase the volume of information available to Shippers instantly. Whilst this may improve the ability and speed to quote a customer, we would note that this would depend on system functionality and so may only have a beneficial impact for certain Shippers and consumers. At the same time this information does however increase the potential for cold calling and targeting of customers. This could therefore have a detrimental impact on the customer experience. We are also unsure as to whether consumers are happy with the concept that all of this data is readily available. We recognise that under the UNC all information transmitted via UK Link is owned



by the Transporters. We therefore believe that implementation of this proposal will have a detrimental impact on this area.

I hope you find these comments useful, however please contact my colleague Stefan Leedham (<u>Stefan.leedham@edfenergy.com</u>, 020 3126 2312) should you wish to discuss these in further detail.

Yours sincerely

Dr. Sebastian Eyre Energy Regulation, Energy Branch