

Review Group 272

**Inter-Shipper Reallocation of End
of Year AQ Reconciliation Charges**

Summary of Shipper Instances in MOD640 Charge

- Instances where 1 or more Shippers had ownership of the site within the gas year with count & total charges (2010 charge – 2008/09 Gas Year):

Scenario	Count MPRNs	Total Financial Charge Value	Average Charge/ MPRN	Min Charge Value	Max Charge Value
1 Shipper	17,628	£14,092,242	£799	£2	£181,243
2 Shippers	2,743	£3,192,138	£1,163	£4	£241,671
3 Shippers	99	£68,686	£663	£12	£8,490
4 Shippers	6	£3,654	£609	£203	£1,073
Total	20,476	£17,353,722	£847	£2	£241,671

Charge Band (£)	Scenario: 2 Shippers	Scenario: 3 Shippers	Scenario: 4 Shippers
0 to 5K	2658	98	6
5 to 10K	50	1	
10 to 50K	30		
50 to 100K	3		
100 to 250K	2		
Total	2743	99	6

Inter-Shipper MOD640 Charge Reallocation

- Discussions have indicated that Transporters could be responsible for the re-allocation of MOD640 charges
- xoserve have questions that require further discussion
 - To aid a request for ROM / Rules Analysis
- Key questions in principles regarding:
 - Submission of inter-Shipper reallocation requests
 - Multiple Shipper requests (>2 Shippers)
- Proposals could include multiple Shippers in charge reallocation process
 - 2008/09 Gas Year – up to 4 Shippers were involved
 - This needs to be considered in any request

Inter-Shipper MOD640 Charge Reallocation Discussion

- If Shipper submits request to xoserve for re-apportionment of charges
 - Does one Shipper submit this request or all Shippers?
 - If one Shipper - how would other Shippers be aware that the request is submitted, progressing, rejected, completed?
 - If >1 Shipper – timing requirements for receipt of requests
 - Warrants – 1 Shipper or all Shippers?
 - Is a request required from each Shipper involved but ‘linked’?
 - ‘Linking’ queries adds complexity to any solution
 - Multiple (>2) Shippers allocated charges – does any reallocation have to involve all involved Shippers or just some?
 - If agreement not reached across all Shippers, can only 2 Shippers submit a request?

Inter-Shipper MOD640 Charge Reallocation Discussion

- Shipper request for reallocation of charges based on:
 - Financial value to be reallocated between Shippers
 - Percentage of total MOD640 invoice reallocated
 - If not across all Shippers involved how would this be managed?
 - x% of total charge or charge between Shippers raising reallocation request?
 - Should requests be validated against the original MOD640 charge?
- If any element of the data is incorrect xoserve would have to reject
 - e.g. reallocation does not add up to 100% or total financial value
- Timings – if all Shippers involved have to submit queries at same time with corresponding data
 - If one Shipper does not submit or inaccurate, reject all?
 - Is there are requirement to chase, notify or manage progression of requests?