

Representation

Draft Modification Report

0473 0473A - Project Nexus - Allocation of Unidentified Gas

Consultation close out date: 13 November 2014

Respond to: enquiries@gasgovernance.co.uk

Organisation: DONG Energy

Representative: Lorna Lewin

Date of Representation: 13 November 2014

Do you support or oppose implementation?

0473 - Support

0473A - Oppose

If either 0473 or 0473A were to be implemented, which would be your preference?

Prefer 0473

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

In our response to UNC modification 0432, we did not support a uniform smear of unidentified gas across all meter points. Modifications 0473 & 0473A support a need for an independent expert to determine the allocation of UG. 0473 provides a mechanism to utilise the data from the current AUGE process during the transition period to allocate UG.

0473A will utilise the uniform smear of UG introduced by 0432 until a party is appointed and determines whether the allocations should be adjusted across the different classes. We believe this approach will apply disproportionate levels of UG on DM sites which the AUGE believes accounts for little or no UG.

Modification Panel Members have indicated that it would be particularly helpful if the following questions could be addressed in responses:

Q1: Please provide as much information and analysis to support your response, particularly any justification for why any particular class should, or should not, attract unidentified gas costs.

Q2: We welcome views on the attribution of unidentified gas costs under these modifications to NTS direct-connected sites.

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

Relevant Objectives:

How would implementation of this modification impact the relevant objectives?

0473 seeks to utilise information provided by the current AUGE process to accurately apportion UG. We believe this is the most accurate way possible to allocate energy which furthers the relevant objective (d).

Impacts and Costs:

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

We are still assessing the impacts of both modifications.

Implementation:

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

Legal Text:

Are you satisfied that the legal text and the proposed ACS (see www.gasgovernance.co.uk/proposedACS) will deliver the intent of the modification?

We have not reviewed the legal text.

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.

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