

## Representation

## **Draft Modification Report**

0378: Greater Transparency over AQ Appeal Performance

Consultation close out date: 06 January 2012

Respond to: enquiries@gasgovernance.co.uk

Organisation: EDF Energy

**Representative**: Stefan Leedham

**Date of Representation:** 06 January 2012

Do you support or oppose implementation?

Support

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

EDF Energy generally supports the publication of data to the market where it is not commercially confidential. To this end we see no reason why this information should not be published, and publication of the appeals information may provide a fuller picture to the industry than that currently presented by the Mod 81 data. At the same time it is difficult to identify which relevant objectives implementation of this proposal would facilitate. In particular we note that although this information is useful to inform how other Shippers are approaching the AQ Review and Appeal processes, it is not clear what actions the publication of this information would result in.

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

We note that this, and an associated suite of modifications, has been raised in response to British Gas' concerns regarding the performance of some Shippers in the 2009 AQ Review. However, we are dubious as to whether publication of this information would address these concerns or not. In particular, the performance of Shippers in the AQ Review and Appeals process could be consistent with the UNC requirements to take a consistent approach to AQ Amendments, but be outside of the average set by the industry. This could be caused by numerous business activities such as data cleansing, improved internal processes or system design that results in results that are not aligned with the rest of the industry.

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### **Relevant Objectives:**

How would implementation of this modification impact the relevant objectives?

As previously noted, we are unable to identify which relevant objectives implementation of this modification proposal would facilitate.

Tentatively it could be argued that publication of this information may enable Shippers to identify whether they are lagging behind their competitors with their current approach to AQ Reviews and Appeals. If this resulted in a greater focus of these Shippers on their AQ processes resulting in more accurate AQs and so more accurate energy allocation then this could be beneficial to competition. However, this is a weak connection and so it is not clear to what extent there will be a material impact on competition.

### **Impacts and Costs:**

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

We do not expect to incur any additional costs from implementation of this proposal.

### Implementation:

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

We note that Xoserve has indicated a 22-37 week implementation lead time for this proposal. We would therefore support a 1<sup>st</sup> July 2013 implementation date for this proposal.

### **Legal Text**:

Are you satisfied that the legal text 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.

No further information.

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