

## Representation

### Draft Modification Report

#### 0395: Limitation on Retrospective Invoicing and Invoice Correction

**Consultation close out date:** 03 February 2012  
**Respond to:** enquiries@gasgovernance.co.uk  
**Organisation:** SSE  
**Representative:** Mark Jones  
**Date of Representation:** 03 February 2012

#### Do you support or oppose implementation?

Support

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

The evidence provided by Xoserve, which is included within the modification proposal, indicates that reducing the reconciliation period to between 2 to 3 years would have a minimal impact on energy allocation, but would reduce the risk to shippers of large and unexpected bills due, for example, to large metering errors. This reduction in risk will lead to a lower risk premium that is ultimately borne by customers.

#### 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?*

We believe that this proposal will better facilitate relevant objective (d) as it will reduce shippers' risk and exposure to future unexpected large invoices, which will have the effect of improving effective competition between shippers.

#### Impacts and Costs:

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

None.

**Implementation:**

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

We would like this modification to be implemented in time for the April 1<sup>st</sup> 2013 rollover date. Prior to this we would like modification proposal 0398 to be implemented from April 1<sup>st</sup> 2012, so that there is a gradual reduction in the limitation of retrospective invoices from the current period of 4 years to 4 years and 365 days down to a period of 2 years to 2 years and 365 days. This should give sufficient notice for all parties to be able to get all of their reconciliations up to date.

**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.*

No.