

## 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:** **Scotland & Southern Gas Networks (SGN)**  
**Representative:** David Mitchell  
**Date of Representation:** 03 February 2012

#### Do you support or oppose implementation?

Not in Support

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

SGN does not support implementation of this modification at the present time as we feel that moving from a reconciliation period of up to 5 years down to a proposed maximum period of 2 years and 364 days is too large a step change for the industry to make in one move. It's SGN's view that the reconciliation period proposed in Modification 0398 if accepted by Ofgem would better facilitate the reconciliation process at this point in time.

#### 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?*

SGN are in support of modification 0398 which is with OFGEM for consideration, however we believe that if this modification is accepted this will give the industry a chance to assess the impact of a tighter reconciliation period before potentially moving to an even shorter reconciliation period as set out in modification 0395. If 0398 was to be implemented then we should allow some statistical data to be built up so that the industry is able to analyse any potential benefits gained from the revised reconciliation cut-off. This would allow a future modification to be raised to look at reconciliation periods. For these reasons we feel it is too early to assess whether or not modification 395 better facilitates the relevant objectives.

**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?*

N/A

**Legal Text:**

*Are you satisfied that the legal text will deliver the intent of the modification?*

N/A

**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