Representation - Draft Modification Report 0592

Separation of National Grid Transmission and Distribution owned networks – Transitional invoicing arrangements

Responses invited by: 5pm on 02 September 2016

To: enquiries@gasgovernance.co.uk

| Representative: | Richard Pomroy | |
|-----------------------------------|------------------------|--|
| Organisation: | Wales & West Utilities | |
| Date of Representation: | | |
| Support or oppose implementation? | Qualified Support | |
| Relevant Objective: | f) Positive | |

Reason for support/opposition: Please summarise (in one paragraph) the key reason(s)

We support this modification as it enables a company to deliver its internal objectives and does not impose costs on other Parties. Our qualified support is due to the legal text not having an end date other than one notified by National Grid Gas. We believe this is an unwelcome precedent and our preference would be that a definitive end date should have been included.

Self-Governance Statement: Please provide your views on the self-governance statement.

We agree that this modification should be self-governance

Implementation: What lead-time do you wish to see prior to implementation and why?

Within 16 days of a panel determination

Impacts and Costs: What analysis, development and ongoing costs would you face?

WWU will not incur any costs

Legal Text: Are you satisfied that the legal text will deliver the intent of the Solution?

Yes

Are there any errors or omissions in this Modification Report that you think should be taken into account? Include details of any impacts/costs to your organisation that are directly related to this.

Please provide below any additional analysis or information to support your representation

We note that although the text is going into the Transition Document, the text is not in itself transitional in that it does not have an end date, either absolutely or relative to another date. The transitional element relies on National Grid Gas terminating the arrangements which they anticipate will be early in 2017. Our concern is that this sets an unwelcome precedent. We would have preferred that the legal text contained an end date by which these arrangements would be terminated unless a further modification was raised to extend them.