Representation - Draft Modification Report UNC 0609

Transitional arrangements for gas settlement and replacement of Meter Readings, (Project Nexus transitional modification)

| Responses invited by: 5pm on 06 April 2017 To: <u>enquiries@gasgovernance.co.uk</u> | |
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| Representative: | Richard Pomroy |
| Organisation: | Wales & West Utilities Ltd |
| Date of Representation: | 4 th April 2017 |
| Support or oppose implementation? | Support |
| Relevant Objective: | f) Positive |

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

We believe that the opportunity costs that this modification presents (such as the early curtailment of the ratchet window) are less than the cost resulting from a delay to Project Nexus Implementation Date. It is for this reason WWU believes that this modification should be implemented.

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

This modification should be implemented immediately following direction by the Authority.

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

None

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

None

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 recognise that there were Shipper concerns regarding the removal of the 2017 AQ review process but we believe that we need to proceed on the basis that Project Nexus Implementation Date will be 1st June (in line with the decision to exit Market Trials Regression testing). We note that following the implementation of Project Nexus Shippers will have the benefit of the new rolling AQ process which should significantly improve allocations of energy.