

## Workgroup Terms of Reference

### **0571 - Application of Ratchets Charges to Class 1 Supply Points Only** **0571A - Application of Ratchets Charges to Class 1 Supply Points and Class 2 with an AQ above 73,200kWhs**

**Date referred from Panel:** 21 January 2016

#### **Background – Why Change?**

Please refer to <http://www.gasgovernance.co.uk/0571>

#### **Solution**

0571 - It is proposed with the introduction of 4 new classes of Supply Points under Project Nexus and the wider availability of daily read sites with lower AQs, that the application of Ratchets Charges is limited to Class 1 Supply Points.

0571A – It is proposed that Ratchets Charges should only apply to Class 1 and Class 2 Supply Points with an annual AQ that exceeds 73,200 kWhs.

#### **Topics for Discussion**

- Understanding the objective
- Consider if any Class 2 sites should be included
- Assessment of alternative means to achieve objective
- Development of Solution (including business rules if appropriate)
- Assessment of potential impacts of the modification
- Assessment of implementation costs
- Assessment of legal text.
- Consideration and justification for potential discrimination based on Class, AQ or meter reading frequency

#### **Outputs**

Produce a Workgroup Report for submission to the Modification Panel, containing the assessment and recommendations of the Workgroup.

#### **Composition of Workgroup**

The Workgroup is open to any party that wishes to attend or participate.

A Workgroup meeting will be quorate provided at least two Transporter and two User representatives are present.

#### **Meeting Arrangements**

Meetings will be administered by the Joint Office and conducted in accordance with the Code Administration Code of Practice