

Representation - Draft Modification Reports

UNC 0633 - Mandate monthly read submission for Smart and AMR sites from 01 December 2017

UNC 0638 - Mandate monthly read submission for Smart and AMR sites from 01 April 2018

Responses invited by: **5pm on 20 November 2017**

To: enquiries@gasgovernance.co.uk

Representative:	Mark Rixon
Organisation:	ENGIE
Date of Representation:	20/11/2017
Support or oppose implementation?	0633 - Comments 0638- Support
Preference:	<i>If either 0633 or 0638 were to be implemented, which would be your preference?</i> 0638
Relevant Objective:	d) Positive

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

The levels and volatility of Un-Identified Gas (UIG) are, quite rightly, of great concern to the industry, and ENGIE shares this concern. We believe that model error in the Non-Daily Metered (NDM) forecasting algorithm is the most plausible explanation for the level and volatility of UIG post Nexus. However, we do not believe that the nature of this error is fully understood, and incremental gains in UIG resulting from both these modifications may well be marginal, at least in the short term, while the operational risks from implementing 0633 in such a challenging timescale are material. In the short term, while further analysis is undertaken on the nature of the NDM algorithm error, we would rather support initiatives to fix the initial UIG estimate at the “enduring” UIG level, recalculating actual UIG once sufficient meter reads had been received.

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

No comments.

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

Insert Text Here

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

For both modifications the legal text provides a solution that is reasonably consistent with the CMA.

Modification Panel Members have requested that the following questions are addressed:

Q1: Is this proposal inconsistent with the CMA requirement?

Both obligations are more onerous, committing the industry to performance standards, where the order required “reasonable steps”. However, 0638 better aligns with the timescale of the CMA requirement.

Q2: Do you believe there are any implications and/or consequential impacts that this proposal might have on Transporters’ “must read” obligations?

No comments

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.*

No comments

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

No comments