Representation – Modification UNC 0658 (Urgent)

CDSP to identify and develop improvements to LDZ settlement processes

Responses invited by: 5pm on 18 June 2018

To: enquiries@gasgovernance.co.uk

| Representative: | Graham Wood |
|-----------------------------------|-------------------|
| Organisation: | Centrica |
| Date of Representation: | 18 June 2018 |
| Support or oppose implementation? | Qualified Support |
| Relevant Objective: | d) Positive |
| | |

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

We support the activities currently being progressed by the CDSP to assign resources to investigate the issues currently being faced associated with the volatility of unidentified gas. We note that DSC change 'XRN4695 – Investigating causes and contributors to levels and volatility of unidentified gas' is currently being progressed through the DSC change process and there appears to be some industry confusion associated with the progression of this modification proposal at the same time. Whilst we support the objectives of this proposal, we do not believe that it is required to achieve the purpose of the modification. Further we have concerns with the proposed solution which specifies potential reduced levels of UIG and target dates for delivery. Instead, in terms of delivery, the CDSP should be tasked to provide the industry with an early, informed view as to how long their investigations may take to conclude. The opportunities available to reduce levels of UIG will only be known once the CDSP activity has concluded, therefore whilst we support the aim to reduce absolute levels of UIG, assigning a target at this stage is not practicable.

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

We welcome the efforts of the CDSP to progress their task force and commence their investigations as soon as possible.

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

The work being progressed by the CDSP via XRN4695 will provide a view on the costs associated with this activity back to the DSC Change Committee over the next few weeks. Existing governance arrangements will review and approve development costs associated with the CDSP task force as appropriate.

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

We do not support the inclusion of any proposed target levels or dates.

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

No

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

None