

## Representation - Modification UNC 0788 (Urgent)

### Minimising the market impacts of 'Supplier Undertaking' operation

Responses invited by: **5:15pm on 20 October 2021**

To: [enquiries@gasgovernance.co.uk](mailto:enquiries@gasgovernance.co.uk)

*Please note submission of your representation confirms your consent for publication/circulation.*

<b>Representative:</b>	Michael Lain
<b>Organisation:</b>	E.ON
<b>Date of Representation:</b>	20/10/21
<b>Support or oppose implementation?</b>	Support
<b>Relevant Objective:</b>	a) Positive d) Positive
<b>Relevant Charging Methodology Objective:</b>	Not Applicable

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

- We support the modification.
- The proposal will improve suppliers' ability to manage exposure to cash-out prices.
- Currently a supplier's exposure is significant due to the (lengthy) transition period between the SOLR taking effect and the appointment of the new shipper.
- Technically the proposal should mean that costs can be reduced although it is not guaranteed that cash-out prices would *a/ways* be more expensive than other purchasing routes, but it is acknowledged that in principle the modification should reduce costs and at the very least enhance risk mitigation.

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

As soon as possible

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

Should existing mechanisms be used we would expect the impact and cost to be low and outweighed by the potential benefits

**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.*

Not any identified

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

NA