

## Representation - Modification UNC 0797 (Urgent) Last Resort Supply Payments Volumetric Charges

Responses invited by: **5pm on 04 January 2022**

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>                          | Mark Bellman                 |
| <b>Organisation:</b>                            | ScottishPower                |
| <b>Date of Representation:</b>                  | 4 <sup>th</sup> January 2022 |
| <b>Support or oppose implementation?</b>        | Qualified Support            |
| <b>Relevant Charging Methodology Objective:</b> | a) None<br>c) Positive       |

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

ScottishPower supports the principle of cost reflectivity and believes that business customers should not be unfairly burdened with LRSP claims from Domestic suppliers

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

Apr-22 but **ONLY IF** DNOs are able to publish their rates for 2022/23 by 31 January **AND** Ofgem fully reflect the costs in the price cap applicable from Apr-22

ScottishPower has had insufficient time to fully impact assess this proposed significant change to charges

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

Systems and process costs to develop and operate validation of this new cost-type. That also requires Ofgem to ensure that the appropriate data required to so do is made available to all shippers and suppliers

All DNOs must use a common method to complete the charging statement to minimise inefficiencies in the application and validation of this new charge

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

*11.1 SoLR Customer Charges are payable following receipt by a DN Operator of a valid claim*

They are not “payable following receipt” of a valid claim, they are payable following invoicing by the DNO, pursuant to the DNO’s published rates (incorporating the valid claim) and terms.

*"Specified Amount" is the amount specified by the supplier in the valid claim*

This should be the amount approved by the Authority for the LRSP claim, not the original amount submitted by the supplier (the two can be different where the Authority rejects some elements of a supplier’s claim)

Add to 11.5 “The DNO should publish the elements of each valid claim that is recovered in each relevant year so that Suppliers can validate the charge, including for the Transitional Year, identifying that part of the valid claims already recovered previously by the DNO” or similar

**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 Response

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

None