

UNC Final Modification Report	At what stage is this document in the process?
<h1 data-bbox="134 322 727 416">UNC 0816S:</h1> <h2 data-bbox="134 450 1150 517">Update to AQ Correction Processes</h2>	<div data-bbox="1209 315 1477 640"> <div data-bbox="1209 315 1477 398">01 Modification</div> <div data-bbox="1209 398 1477 481">02 Workgroup Report</div> <div data-bbox="1209 481 1477 564">03 Draft Modification Report</div> <div data-bbox="1209 564 1477 640">04 Final Modification Report</div> </div>
<p><b>Purpose of Modification:</b></p> <p>This Modification proposes to add two further ‘<b>eligible causes</b>’ to the Annual Quantity (AQ) amendment process within TPD G2.3.21 and to prevent AQ amendments being processed where there is no change in value to the AQ.</p>	
<p><b>Next Steps:</b></p> <p>The Panel determined that this Self-Governance Modification should be implemented.</p>	
<p><b>Impacted Parties:</b></p> <p>Medium: Shippers, Distribution Network Operators, CDSP</p>	
<p><b>Impacted Codes:</b></p> <p>None identified at this stage</p>	

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Timetable	
<b>Modification timetable:</b>	
Pre-Modification Discussed	N/A
Date Modification Raised	08 August 2022
New Modification to be considered by Panel	18 August 2022
First Workgroup Meeting	25 August 2022
Workgroup Report to be presented to Panel	18 May 2023
Draft Modification Report issued for consultation	18 May 2023
Consultation Close-out for representations	06 June 2023
Final Modification Report available for Panel	07 June 2023
Modification Panel decision ( <i>at short notice</i> )	15 June 2023

 Any questions?

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## 1 Summary

### What

At present, the Uniform Network Code (UNC) currently allows for the amendment of a Supply Point Annual Quantity (AQ) due to four eligible causes defined within [TPD G2.3.21](#). The current eligible causes for amending an AQ are theft of gas, change in consumer plant, commencement of new business or discontinuance of an existing business activity and tolerance change.

This Modification seeks to add two further eligible causes, which are Erroneous AQ based on read history and Change in operation and/or use.

The eligible cause Erroneous AQ based on read history is intended to be utilised where a Supply Meter Point (SMP) has a read history outside of the current Registered User's ownership which is not representative of the current usage of the SMP, the User may utilise an Erroneous AQ based on read history AQ Correction.

The eligible cause Change in operation and/or use is intended to be utilised where a SMP has changed in use resulting in a need for an increase or decrease in AQ, where there is no physical change of equipment or change of Shipper.

This Modification also seeks to prevent AQ amendments where there is only a de minimis change being made to the current AQ value.

### Why

The [0783R – Review of AQ Correction Processes](#) was required in order to assess whether the current arrangements meet the objectives for the setting of the AQ and identify and consider possible amendments that are required to UNC. During the 0783R – Review of AQ Corrections Processes discussions, Distribution Workgroup looked at summary data of how current eligible causes are used, and whether the current eligible causes for utilising an AQ amendment are fit for purpose.

It was identified that two further eligible causes are necessary for Users to utilise in order to submit AQ corrections. It was felt that this would also improve the overall accuracy in use of the AQ corrections process.

### How

TPD Section G 2.3.21 will be amended to include the two further eligible causes, Erroneous AQ based on read history and Change in operation and/or use.

A change will also be required in order to prevent AQ corrections where there is a de minimis change being made to the current AQ value.

## 2 Governance

### Justification for Self-Governance

Panel determined the Modification is unlikely to have a material effect on “(bb) *competition in the shipping, transportation or supply of gas conveyed through pipes or any commercial activities connected with the shipping, transportation or supply of gas conveyed through pipes*”, due to simply updating existing AQ correction processes.

## Requested Next Steps

This Modification should be considered a non-material change and subject to Self-Governance.

## 3 Why Change?

There are provisions within UNC for a User to make amendments to any of its registered Supply Point AQs where it believes that the AQ is not representative of its consumption over the following 12-month period. UNC outlines Eligible causes which a User can rely on when making such an AQ amendment.

Following the outcome of the Review Group [0783R - Review of AQ Correction Processes](#), two further eligible causes were identified as being necessary for Users in order to ensure that all eligible causes within Code are fit for purpose. The Review also identified a portion of AQ corrections being submitted which give no change to the AQ value. Participants of the Review therefore felt that it was necessary no longer allow such AQ amendments where there is a de minimis change.

As these are the outcomes from the Review Group, these are aspects of the AQ corrections process where currently the process is not providing the full scope of eligible causes a User may require in order to submit an AQ amendment. By applying these changes which have been identified, the aim is to ensure that the AQ corrections process is fully fit for purpose.

As with the existing eligible causes, utilisation of these new causes has no adverse impact on the previous Shipper as it is used only as a corrective action for the current User.

## 4 Code Specific Matters

### Reference Documents

[Uniform Network Code - Transportation Principal Document - Section G - Supply Points - 2.3.21](#)

[0783R - Review of AQ Correction Processes](#)

### Knowledge/Skills

Nothing specific.

## 5 Solution

### Business Rules:

BR1: A change is required to UNC TPD G2.3.21 to add two further eligible causes, Erroneous AQ based on read history and Change in operation and/or use, and to prevent AQ corrections where there is a de-minimis change in value for AQ for all eligible causes.

BR2: Erroneous AQ based on read history - Where a Registered User reasonably believes, in its sole discretion, that a Supply Meter Point (SMP) has a read history outside of the current Registered User's ownership which is not representative of the current usage of the SMP, the User may utilise the eligible cause Erroneous AQ based on read history AQ correction.

The following criteria must be met:

- The Supply Point Registration Date with the current shipper must be within 12 months of the date of the request, and

- The site's Annual Quantity must have increased by greater than 100% since the current shipper's Supply Point Registration Date.
- The cause must have occurred on or after the AQ Read Date of the AQ Opening Reading used in the most recent calculation of the Annual Quantity

BR3: Change in operation and/or use - Where a SMP has changed in use resulting in a need for an increase or decrease in AQ

The following criteria must also be met:

- the site must not be vacant;
- there has been no physical change of equipment;
- there has been no commencement of a new business activity or discontinuance of an existing business; activity at the consumer's premises;
- there has been a material change in business operation at the site so that the current Annual Quantity is no longer reflective of the estimated future annual usage.

BR4: Utilising any AQ correction to submit a value which is less than 5% different to the current AQ will not be allowed and the User will receive a rejection response.

Guidance note – for the avoidance of doubt BR4 is only intended to apply to the eligible causes (both existing and the new ones created by this modification) and not to a request to change the AQ under TPD G2.3.22.

Guidance Note (General) - For the avoidance of doubt, as with the eligible causes already within the UNC, when submitting a request for either (i) AQ correction based on change in operation or use, or (ii) AQ correction based on read history, the requesting User must submit evidence to the CDSP of the eligible cause's legitimate application and the satisfaction of any conditions of application pertinent to that eligible cause, following the provisions of TPD G2.3.24(a)(ii)(1).

## 6 Impacts & Other Considerations

### **Does this Modification impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?**

No impact identified.

### **Consumer Impacts**

The inclusion of two additional eligible causes will ensure that Users are provided with the necessary ways to submit AQ amendments more accurately. Whilst this does not directly impact consumers, this may have further downstream effects to consumers, ensuring that they are billed more accurately.

### **What is the current consumer experience and what would the new consumer experience be?**

No impact identified.

Impact of the change on Consumer Benefit Areas:	
Area	Identified impact
Improved safety and reliability	None
Lower bills than would otherwise be the case	None
Reduced environmental damage	None
Improved quality of service	None
Benefits for society as a whole	None

### Workgroup commentary on Consumer Benefit Areas

This Modification has indirect consumer benefits because the existing AQ correction codes are not currently being used as intended. The Modification should ensure that the correct AQ is in the system to ensure correct pricing.

### Cross-Code Impacts

No cross-code impacts identified as the IGT points over to the UNC.

For clarity, the intention is for these codes to be applicable to DNO and IGT sites, as with the existing reason codes.

Please note that the ROM states that IGTs are an impacted DSC customer class.

*“DNOs and IGTs are considered impacted parties, as the outcome of the amendments impacts the AQ on SMPs in their network area. Although they are listed as impacted, this is not in a functional process or system capacity.”*

### EU Code Impacts

None identified.

### Central Systems Impacts

It is expected that there will be Central System impacts, the impact of the Modification Solution on Central Systems will need to be further assessed.

CDSP confirmed in the ROM presented in January 2023 that a Major Release would be required for this change and the expected earliest implementation was given as February 2024 (based on the standard release timelines).

### Timetable considerations

Workgroup Participants confirmed that the DSC Change Management Committee will agree and confirm scopes of Major Releases.

The Change Proposal raised to deliver Modification 0816S (XRN5607) will mean a solution review is likely to be issued in the May 2023 Change Pack to be voted on at the June 2023 DSC Change meeting which is a relatively quick turnaround to be included in the February 2024 release. If an earlier release was considered, obviously the DSC Change Committee would have to agree to work at risk following solution review approval (anticipated

in June), ahead of the Modification being approved. This is not ideal and is unlikely to be acceptable to DSC Change Committee. In addition, other work would need to be reprioritised to understand if this is possible.

In summary, the CDSP is still anticipating the earliest Major Release as February 2024. Any earlier would not allow the typical 6 months lead time from solution approval to implementation which is usually required by DSC customers for Major Releases.

## Rough Order of Magnitude (ROM) Assessment

The ROM Response was introduced to Workgroup in January 2023 and can be found here:

<https://www.gasgovernance.co.uk/0816>

From the ROM, for an enduring solution, a high-level indicative cost to deliver this change is anticipated to be between £50,000 - £130,000. 12-20 weeks to deliver this change.

The ROM did not identify additional ongoing costs associated with this change proposal XRN 5607.

The funding suggestion is service area 2, 100% Shipper funded.

## Workgroup Impact Assessment

### Panel Questions

#### **Question 1. Consider materiality relating to billing impact and therefore does the Modification continue to meet the Self-Governance criteria?**

This question was discussed at [Workgroup on 27 October 2022](#). The Proposer stated that these AQ Amendments are currently being requested, however, they are being requested using the wrong reason code. The intention is that by introducing these new reason codes it will give Users a better way to request amendments and put some Business Rules in place for the specific reasons to use the new codes. She also reiterated that there are concerns about the influx of AQ amendments and the impacts on billing.

The proposed Business Rules are shown in Section 5 above and include a guidance note:

Guidance Note (General) - For the avoidance of doubt, as with the eligible causes already within the UNC, when submitting a request for either (i) AQ correction based on change in operation or use, or (ii) AQ correction based on read history, the requesting User must submit evidence to the CDSP of the eligible cause's legitimate application and the satisfaction of any conditions of application pertinent to that eligible cause, following the provisions of TPD G2.3.24(a)(ii)(1).

The Proposer clarified that the erroneous read(s) highlighted within the Supporting Information will be preventing an accurate rolling AQ being calculated. For validation it is proposed, in terms of validation, the User must submit supporting information including the Suppliers' read for the site. If a reading has been rejected in the past for the site using the Last Resort process, that is an exception process and not the normal BAU process. She also suggested adding the Rejected Change Requirement as shows the Shipper has exhausted alternative means before raising the AQ amendment. In addition, the second proposal on validation is to add a time limit so the reading can only to be submitted up to 12 months after a change of Supplier or Shipper which then aligns with the process. The Proposer suggested that the AQ being corrected cannot be lower than the lowest AQ of the site historically or last accepted AQ prior to any change. Altogether this change on the Business Rules should mitigate issues, as a stronger validation process is being put in place. The validation will be carried out by the CDSP.

The second reason code proposed is for changed operation and conversation had been had about what supporting evidence or validation may be available. The Proposer suggested there could be a "disclaimer" when Users submit amendment requests to state that has been a change in the site operation and as Shipper attempts

have been made to provide evidence of the changed operation. It was noted that this is different from reason code 3 as the justification is there is some change to opening hours or manufacturing process rather than any change to the equipment on site.

The final element of the proposals is a Business Rule set to reject any AQ amendment when AQ has not changed. It was suggested that erroneous requests were typically an exact match.

Workgroup was satisfied that the validation requirements and the restrictions placed around these two new eligible cause codes would mitigate any risk to billing and therefore were also happy that this did not affect the governance route – self governance.

## **Performance Assurance Considerations**

This Modification should improve meter read performance through improved data quality. Workgroup confirmed that there is already awareness that these types of requests are already being made under the wrong reason codes so this Modification will improve granularity and allow correct identification of these AQ amendments and more accurate monitoring.

PAC has been actively considering the needs of this Modification alongside Workgroup consideration and has agreed that the additional eligible causes will be included in the existing reports, considered under normal PAC monitoring to mitigate against inappropriate use.

At the April 2023 PAC meeting, it was agreed that existing PARR reports for the AQ correction process are already in place (PARR 2A.8 and PARR 2B.8). These reports confirm the count of MPRNs where an AQ correction process has been used, for each Shipper and per reason code (eligible cause). The PARR reports do not state the individual reason codes therefore no change is required to the PARR document as a result of Modification 0816S. However, it is worth confirming that although the PARR does not require updating, there is a reporting impact of 0816S. As part of the Modification 0816S solution delivery under XRN5607, the technical changes to the existing reports will be made to include the 2 new reason codes and these will be included in the report following implementation.

### **Shipper User warrants some conditions**

Workgroup reviewed the Legal Text at the March and April meetings and confirmed the following:

The CDSP will validate the conditions where possible. However, for TPD G 2.3.22 (c) the Shipper User warrants these criteria and the CDSP can act on this basis. Without this confirmation from the Shipper User, the CDSP will reject the AQ correction to ensure it is acting in line with 2.3.25.

### **Other considerations**

Workgroup noted that there is a spelling correction in TPD G 2.3.24 (a) (iii) which was agreed to be appropriate by all Workgroup Participants.

Workgroup briefly considered whether the Modification could go out to consultation for less than 15 days and whether it could potentially come back to June 2023 Panel. Workgroup and the Proposer did not feel that it needed to be faster however recognised that Panel may consider the timetable and make its own decision. The Proposer confirmed that Workgroup had followed a review Workgroup 0738R raised in 06 October 2021 and therefore the matter has been discussed at Workgroup for a good long while.



## 7 Relevant Objectives

### Impact of the Modification on the Transporters' Relevant Objectives:

Relevant Objective	Identified impact
a) Efficient and economic operation of the pipe-line system.	None
b) Coordinated, efficient and economic operation of (i) the combined pipe-line system, and/ or (ii) the pipe-line system of one or more other relevant gas transporters.	None
c) Efficient discharge of the licensee's obligations.	None
d) Securing of effective competition: (i) between relevant shippers; (ii) between relevant suppliers; and/or (iii) between DN operators (who have entered into transportation arrangements with other relevant gas transporters) and relevant shippers.	Positive
e) Provision of reasonable economic incentives for relevant suppliers to secure that the domestic customer supply security standards... are satisfied as respects the availability of gas to their domestic customers.	None
f) Promotion of efficiency in the implementation and administration of the Code.	Positive
g) Compliance with the Regulation and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators.	None

The Modification furthers relevant objective d) Securing of effective competition, as it ensures that there is a suitable process available for Users to correct AQs and ensure that they are an accurate reflection of consumption.

Workgroup Participants agreed that the Modification should improve clarity in terms of the opportunity to address erroneous AQs which is fairer across the market overall.

The Modification is also positive in relation to relevant objective f) Promotion of efficiency in the implementation and administration of the Code as it allows Users to utilise the appropriate eligible cause in order to amend an AQ.

Workgroup Participants agreed that the Modification should improve clarity in terms of the opportunity to address erroneous AQs which is more accurate and therefore promote efficiency.

## 8 Implementation

As Self-Governance procedures are proposed, implementation could be sixteen business days after a Modification Panel decision to implement, subject to no Appeal being raised.

Workgroup Participants referred to the ROM which noted a major release would be appropriate for this Modification.

The CDSP representative confirmed that implementation should align with the relevant system delivery as per the ROM. System delivery timescales will be determined by DSC Change Management Committee.

Workgroup Participants and the Proposer confirmed that ideally 0816S should be implemented into Code prior to Modification 0819 in order to ensure that changes to the Legal Text follow in sequence.

## 9 Legal Text

Legal Text has been provided by Scotia Gas Networks and is published alongside this report.

### Workgroup Assessment

The Workgroup has considered the Legal Text and is satisfied that it meets the intent of the Solution at the April 2023 meeting.

### Text Commentary

Please see: <https://www.gasgovernance.co.uk/0816>

### Text

Please see: <https://www.gasgovernance.co.uk/0816>

## 10 Consultation

Representations were invited from interested parties on 18 May 2023. All representations are encompassed within the Appended Representations section, including any initial representations.

The following table provides a high-level summary of the representations.

Implementation was unanimously supported in the 7 representations received.

Representations were received from the following parties:		
Organisation	Response	Relevant Objectives
Brook Green Supply	Support	d) None f) None
ENGIE	Support	d) positive f) positive
E.ON/E.ON Next/Npower Business Solutions	Support	d) positive f) positive
SEFE Energy	Support	d) positive f) positive
SSE	Support	d) positive f) positive

SGN	Support	d) positive f) positive
Wales & West Utilities	Support	d) positive f) positive

Please note that late submitted representations may not be included or referred to in this Final Modification Report. However, all representations received in response to this consultation (including late submissions) are published in full alongside this Report and will be taken into account when the UNC Modification Panel makes its assessment and recommendation.

## 11 Panel Discussions

### Discussion

The Panel Chair summarised that Modification 0816S would add two further ‘eligible causes’ to the Annual Quantity (AQ) amendment process within TPD G2.3.21 and to prevent AQ amendments being processed where there is no change in value to the AQ. These are:

1. Erroneous AQ based on read history and
2. Change in operation and/or use.

This Modification also seeks to prevent AQ amendments where there is only a *de minimis* change being made to the current AQ value.

Panel Members reviewed the initial Panel Question raised and agreed these points had also been adequately assessed by the Workgroup.

Panel Members considered the representations made noting that implementation was unanimously supported in the 7 representations received.

Panel Members discussed the [late representation from Good Energy Gas Ltd](#) and their suggestion that the Criteria for BR2 (Erroneous AQ based on read history) should be changed so that the Supply Point Registration Date with the current Shipper must be within 24 months (rather than 12 months) of the date of the request.

Panel Members noted that this was not discussed at Workgroup as the suggestion had not been made at Workgroup.

Panel members briefly discussed whether the change should be considered from 12 months to 24 months and noted that Good Energy Gas Ltd may wish to raise a subsequent proposal to amend the current 12 months relating to BR2 subsequent to the progression of this Modification.

Panel Members did not consider this is a new issue.

The question of whether 12 months is optimum or whether 24 months would be better could be assessed via a new Modification Proposal or a Request. The CDSP representative noted that AQ process runs on a 12 month basis. Panel Members noted that this point relates to a one-off issue, the effect of which will diminish over time. Further, since the Modification has significant system changes associated with it, implementation is unlikely to be before February 2024 and as such the effects of the situation will be diminishing.

Panel Members agreed with respondents and the Proposer that this Modification would better facilitate the amendment of AQs.

## Consideration of the Relevant Objectives

Panel Members considered Relevant Objective *d) Securing of effective competition between Shippers and/or Suppliers*, agreeing that implementation would have a positive impact, as it ensures that there is a suitable process available for Users to correct AQs and ensure that they are an accurate reflection of consumption.

Panel Members considered Relevant Objective *f) Promotion of efficiency in the implementation and administration of the Code*, agreeing that implementation would have a positive impact, as it allows Users to utilise the appropriate eligible cause in order to amend an AQ.

## Determinations

Panel Members voted unanimously that no new issues were identified as part of consultation.

Panel Members voted unanimously that Modification 0816S does not have any Cross code impacts.

Panel Members voted unanimously to implement Modification 0816S.

## 12 Recommendations

### Panel Determination

Panel Members agreed that Modification 0816S should be implemented.

## 13 Appended Representations

Representation - Brook Green Supply

Representation - ENGIE

Representation - E.ON/E.ON Next/Npower Business Solutions

Late Representation - Good Energy Gas Ltd

Representation - SEFE Energy

Representation - SSE

Representation - SGN

Representation - WWU

## Representation - Draft Modification Report UNC 0816S

### Update to AQ Correction Processes

**Responses invited by: 5pm on 06 June 2023**

**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>	Harry Hailwood
<b>Organisation:</b>	Brook Green Supply
<b>Date of Representation:</b>	01.06.2023
<b>Support or oppose implementation?</b>	Support
<b>Relevant Objective:</b>	<p><b>d)</b> None * <i>delete as appropriate</i></p> <p><b>f)</b> None * <i>delete as appropriate</i></p>
<b>Relevant Charging Methodology Objective:</b>	Not Applicable * <i>delete as appropriate</i>

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

We support the addition of two new causes for users to process an AQ amendment under. This will allow for more accurate reasoning behind the amendment request and ensure that accuracy of AQs within industry are improved. We further support the rules laid out to ensure it is clear that the AQ amendments are being completed for the purposes of Erroneous AQ based on read history and Change in operation and/or use not erroneously being included in other reasons currently available.

#### Self-Governance Statement: Please provide your views on the self-governance statement.

Agree

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

Agree with the 16 business day implementation

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

No comment

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

No Comment

**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.*

None

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

No Comment

## Representation - Draft Modification Report UNC 0816S Update to AQ Correction Processes

Responses invited by: **5pm on 06 June 2023**

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>	Colin Paine
<b>Organisation:</b>	ENGIE
<b>Date of Representation:</b>	05/06/2023
<b>Support or oppose implementation?</b>	Support * <i>delete as appropriate</i>
<b>Relevant Objective:</b>	<b>d)</b> Positive <b>f)</b> Positive
<b>Relevant Charging Methodology Objective:</b>	Not Applicable * <i>delete as appropriate</i>

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

This modification will benefit end consumers by expanding the range of eligible causes for an AQ Correction and enabling more accurate tracking of the reasons for AQ Corrections. It will also provide a clearer path for action when customers request AQ Corrections the reasons for which fall outside the current eligible causes.

### Self-Governance Statement: Please provide your views on the self-governance statement.

We agree that self-governance can be applied to this modification.

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

We are supportive of the proposed implementation date of February 2024.

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

We do not see any significant development costs with this modification.

### 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.*

No.

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

N/A



## Representation - Draft Modification Report UNC 0816S

### Update to AQ Correction Processes

**Responses invited by: 5pm on 06 June 2023**

**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>	Clare Manning
<b>Organisation:</b>	E.ON/E.ON Next/Npower Business Solutions
<b>Date of Representation:</b>	05/06/2023
<b>Support or oppose implementation?</b>	Support
<b>Relevant Objective:</b>	d) Positive f) Positive
<b>Relevant Charging Methodology Objective:</b>	Not Applicable

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

As the Proposer of this modification, E.ON supports its implementation. We believe the addition of the two new eligible causes will provide greater transparency and accuracy, thereby enhancing current arrangements. The CDSP has already reported that the existing causes are being utilised for reasons other intended but that these are genuine reasons for amending the AQ. The addition of the new causes will provide a legitimate route for Users to be able to resolve issues with AQ and enable more accurate monitoring.

The CDSP also reported that AQ amendments were being submitted but without a change to the AQ and the working group could think of no legitimate reason why this should happen so the modification introduces the deminimis which we also support.

#### **Self-Governance Statement: Please provide your views on the self-governance statement.**

We agree that this modification satisfies the criteria for Self Governance

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

Implementation can be sixteen days but Users would not be able to utilise the new causes until the relevant system changes have been made.

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

No costs or impacts identified

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

We are satisfied with the legal text

**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.*

None

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

We note concerns that the business rules do not address a way to report the misuse of eligible causes or to reverse an AQ amendment if found that the eligible cause was used erroneously. This was discussed during the working group but considered to be outside the scope of this modification. We believe the PARR reporting enables sufficient monitoring.

## Representation - Draft Modification Report UNC 0816S

### Update to AQ Correction Processes

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>	Kit Dixon
<b>Organisation:</b>	Good Energy Gas Ltd
<b>Date of Representation:</b>	08/06/2023
<b>Support or oppose implementation?</b>	Support
<b>Relevant Objective:</b>	d) Positive f) Positive
<b>Relevant Charging Methodology Objective:</b>	Not Applicable

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

This modification would benefit consumers by increasing transparency and accuracy in the setting of Aqs. Users will be able to attribute changes to reasons which accurately reflect the reason for the change.

#### Self-Governance Statement: Please provide your views on the self-governance statement.

We are satisfied that the mod meets the criteria for self-governance.

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

We think the modification should be implemented as soon as possible after the approval of The Authority.

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

No costs or impacts identified.

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

We do not have comments on the Legal Text.

**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.*

We consider that the Criteria for BR2 should be changed so that the Supply Point Registration Date with the current shipper must be within 24 months of the date of the request, rather than 12 months. This would be appropriate given the extremely high volumes of shipper changes that took place in 2022 due to the energy crisis.

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

N/A

## SEFE Energy Representation Draft Modification Report

### Modification 0816S Update to AQ Correction Processes

1. **Consultation close out date:** 6<sup>th</sup> June 2023
2. **Respond to:** [enquiries@gasgovernance.co.uk](mailto:enquiries@gasgovernance.co.uk)
3. **Organisation:**  
SEFE Energy  
5<sup>th</sup> Floor  
8 First Street  
Manchester  
M15 4RP
4. **Representative:**  
Steve Mulinganie  
Regulation Manager  
[stevemulinganie@sefe-energy.com](mailto:stevemulinganie@sefe-energy.com)  
0799 097 2568
5. **Date of Representation:** 2<sup>nd</sup> June 2023
6. **Do you support or oppose Implementation:**  
We **Support** implementation of this Modification
7. **Please summarise (in 1 paragraph) the key reason(s) for your position:**  
The introduction of the two further eligible causes Erroneous AQ based on read history and Change in operation and/or use and the prevention of AQ amendments being used where there is a de minimis change in the AQ will enhance the existing arrangements
8. **Are there any new or additional Issues for the Modification Report:**  
**No**
9. **Self-Governance Statement Do you agree with the status?**  
**Yes**
10. **Relevant Objectives:**  
*How would implementation of this modification impact the relevant objectives?*  
We **agree** with the proposer and workgroup that this modification is positive in respect of Relevant Objective(d) & (f)

**11. Consumer Benefits:**

*Do you have any comments on the Consumer Benefits?*

**No comments**

**12. Impacts & Costs:**

*What analysis, development and on-going costs would you face if this modification was implemented?*

We **have not** identified any significant costs associated with the implementation of this modification

**13. Implementation:**

*What lead times would you wish to see prior to this modification being implemented, and why?*

**We would like to see implementation ASAP**

**14. Legal Text:**

*Are you satisfied that the legal text will deliver the intent of the modification?*

We **have not** reviewed the Legal Text provided. We note the Workgroup has considered the Legal Text and is satisfied that it meets the intent of the Solution at the April 2023 meeting.

**15. Modification Panel Questions:**

*Do you have any comments on any questions raised by the Modification Panel?*

**No comments**

**16. Performance Assurance Considerations:**

*Do you have any comments?*

**No comments**

**17. Is there anything further you wish to be taken into account**

*Please provide any additional comments, supporting analysis, or other information that you believe should be taken into account or you wish to emphasise.*

**No**

## Representation - Draft Modification Report UNC 0816S Update to AQ Correction Processes

Responses invited by: **5pm on 06 June 2023**

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 Jones
<b>Organisation:</b>	SSE Energy Supply Limited
<b>Date of Representation:</b>	06 June 2023
<b>Support or oppose implementation?</b>	Support
<b>Relevant Objective:</b>	d) Positive f) Positive
<b>Relevant Charging Methodology Objective:</b>	Not Applicable

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

We agree with the proposer that during the 0783R – Review of AQ Corrections Processes discussions, the Distribution Workgroup looked at summary data of how current eligible cause was identified, and that two further eligible causes are necessary for Users to utilise in order to submit AQ corrections. We also agree that this will improve the overall accuracy in use of the AQ corrections process.

### Self-Governance Statement: Please provide your views on the self-governance statement.

We believe the modification meets the self-governance criteria.

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

The modification should be implemented as soon as possible in line with the self-governance criteria.

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

None identified.

**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.*

No.

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



## Representation - Draft Modification Report UNC 0816S

### Update to AQ Correction Processes

**Responses invited by: 5pm on 06 June 2023**

**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>	David Mitchell
<b>Organisation:</b>	Scotland Gas Networks Ltd and Southern Gas Networks Ltd
<b>Date of Representation:</b>	31st May 2023
<b>Support or oppose implementation?</b>	Support
<b>Relevant Objective:</b>	d) Positive f) Positive
<b>Relevant Charging Methodology Objective:</b>	Not Applicable

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

SGN supports this modification as it will help to improve the accuracy of Annual Quantities (AQ) held in the central systems. The addition of the two new eligible causes, Erroneous AQ based on read history and change in operation and/or use will give added transparency as to why an AQ has been amended. The eligible cause Erroneous AQ based on read history is intended to be utilised where a Supply Meter Point (SMP) has a read history outside of the current Registered User's ownership which is not representative of the current usage of the SMP, if such a situation arises the User may utilise an Erroneous AQ based on read history AQ Correction, SGN believes that this is a positive addition to the process of ensuring accurate AQ's are maintained. The other new eligible cause Change in Operation and/or use is intended to be utilised where a SMP has a change in use resulting in a need for an increase or decrease in AQ, SGN believes that this is a sensible addition to the process as once again it seeks to improve the accuracy of SMP AQ's. We support the proposers view that having business rules in place for requesting amendments against these two new reason codes will improve the process.

#### **Self-Governance Statement: Please provide your views on the self-governance statement.**

We agree with the justification for self-governance as we don't believe that this modification will have a material impact on consumers or competition.

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

This modification could be implemented sixteen business days after a Modification Panel decision to implement, subject to no Appeal being raised, however consideration will need to be given to aligning the implementation date with the relevant system delivery timescales that will be determined by DSC Change Management Committee.

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

SGN does not anticipate any impacts or costs as a result of this modification being implemented. We agree with the proposer's suggestion that this modification should be 100% funded by shippers.

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

We are satisfied with the legal text.

**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.*

None identified.

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

None identified.

## Representation - Draft Modification Report UNC 0816S Update to AQ Correction Processes

Responses invited by: **5pm on 06 June 2023**

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>	Tom Stuart
<b>Organisation:</b>	Wales & West Utilities
<b>Date of Representation:</b>	22.5.23
<b>Support or oppose implementation?</b>	Support
<b>Relevant Objective:</b>	d) Positive f) Positive
<b>Relevant Charging Methodology Objective:</b>	Not Applicable

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

Wales & West Utilities supports this modification as we believe it will encourage users to use the correct eligible cause when amending an QA by tightening the criteria that a site must meet to utilise the eligible causes. We support the general principle of enabling users to recording accurate AQs which we believe this modification is aiming to achieve. We also agree with the proposer's suggestion of 100% shipper funding as this modification focuses on AQ accuracy, which is a shipper responsibility.

This modification furthers relevant objective d) Securing of effective competition and furthers relevant objective f) Promotion of efficiency in the implementation and administration of the Code.

However, introducing additional eligible causes may provide users with more opportunities to amend AQs that they believe to be incorrect, rather than to tackle the core issue of AQ inaccuracies. The business rules do not address a way to report the misuse of eligible causes, which was identified as an issue during the workgroup discussions, though note that the corresponding Xoserve change will include reporting of the 2 new reason codes.

### Self-Governance Statement: *Please provide your views on the self-governance statement.*

We agree with the justification for self governance

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

Agree with the 16-day implementation period.

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

We do not foresee any impacts or costs. We agree with the proposer's suggestion of 100% shipper funding as this modification focuses on AQ accuracy, which is a shipper responsibility.

**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.*

None

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

None