IGT | UNC

Consultation Response

IGT143: Use of the Isolation Flag to identify sites with abnormal load reduction during COVID-19 period

Responses invited by: 12 May 2020

Respondent Details

Name: Paul Bedford

Organisation: Opus Energy Ltd

Support Implementation	X
Qualified Support	☐
Neutral	☐
Do Not Support	☐

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Please briefly summarise the key reason(s) for your support / opposition

Due to restrictions under COVID-19, many sites are either not consuming gas or are using minimal volumes but are still subject to energy allocation and relevant allocated share of Unidentified Gas (UIG). We support the proposal to temporarily allow shippers, under specific circumstances, to use the existing central system process of 'isolation flag' for certain supply points which have seen a near-complete or total reduction in gas usage due to 'lock down' restrictions from allocation, nomination and application of certain charges. We believe that this proposal is positive to Relevant Objectives (a) and (d).

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Self-Governance Statement

Do you agree with the Modification Panel's determination with respect to whether or not this should be a self-governance modification?

Yes, we agree that this should not be a self-governance modification.

Please state any new or additional issues that you believe should be considered

N/A

Relevant Objectives

How would implementation of this modification impact the relevant objectives?

Due to restrictions under COVID-19, many sites are either not consuming gas or are using minimal volumes but are still subject to energy allocation and relevant allocated share of Unidentified Gas (UIG). We support the proposal to temporarily allow shippers, under specific circumstances, to use the existing central system process of 'isolation flag' for certain supply points which have seen a near-complete or total reduction in gas usage due to 'lock down' restrictions from allocation, nomination and application of certain charges. We believe that this proposal is positive to Relevant Objectives (a) and (d).

Impacts and Costs

What development and ongoing costs would you face if this modification was implemented?

There will be process impacts only from a supplier perspective. Isolation flags used as a consequence of this modification will need to be removed at the appropriate date post COVID-19, and so parties will need to maintain a record of those sites impacted so that they can easily distinguish them from genuinely isolated sites.

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Implementation

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

This change has been granted urgent status due to the unprecedented impacts of COVID-19. Given the urgency, the proposed solution has necessitated one that has no system impacts and required process updates, and so could effectively be implemented immediately following approval. Our expectation is that this proposal would be subject to close monitoring by PAB and Ofgem to ensure consistent application and development of an appropriate restoration plan, to reinstate normal industry arrangements that have been suspended or altered temporarily for the purposes of responding to COVID 19.

Legal Text

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

Legal text requires definition of Relevant Period that UNC 723 would apply for. Unclear at what stage/trigger, other than the end of the Government's COVID-19 provisions would necessitate removal of this section from the Code.

Further Comments

Is there anything further you wish to be taken into account?

Not at this time.

Responses should be submitted by email to iGTUNC@gemserv.com

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