

Consultation Response**IGT143U:** 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: Sasha Pearce

Organisation: npower

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

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

We understand and support the intent of this modification, which is to mitigate the impact of non-consuming sites, however we have concerns about the viability of this process and consider that it would need very careful management and could be resource intensive.

With regard to the practicality of the solution, if a site has been locked down successfully, then it will be very unlikely that shippers could contact the customer to confirm this. So how will shippers determine if nil consumption is a result of the lockdown and not due to other reasons? Similarly, given that we expect different industries to come out of lockdown at different times and that some may potentially cease operation entirely, the process of keeping track of the removal of these flags would be manual and overly time consuming.

We have concerns around governance of the use of the flag. Is there potential for misuse here? For example could shippers use this flag to avoid Unidentified Gas (UIG) charges for sites that are still using energy, and exacerbate the problem of costs for UIG being smeared onto domestic sites. How could this be prevented?

If this modification is implemented, we believe that there must be close monitoring and reporting on the number of sites impacted. Xoserve should take a snapshot of all isolated sites before the provision comes into effect, and should then report weekly on the number and volume of sites which have utilised this solution.

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?

We agree with the proposer that this should **not** be a self-governance modification.

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

None

Relevant Objectives

How would implementation of this modification impact the relevant objectives?

Whilst we support that the aims of this modification would facilitate the relevant objectives, we are concerned that, because of the potential for misuse and inability of shippers to be sure of the reasons for nil consumption at a site, as currently drafted this modification may also have a negative impact on the relevant objectives.

Impacts and Costs

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

None

Implementation

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

No lead time required, implementation could follow immediately after approval.

Legal Text

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

No comments

Further Comments

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

No comments