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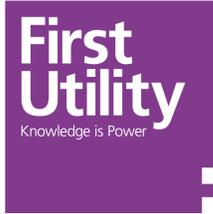
Dear Jonathan

Initial impact assessment and minded to position on UNC642, 642A and 643: allocation of unidentified gas

Thank you for the opportunity to respond to your consultation regarding the impact assessment and minded to position on UNC 0642 (A) and UNC 0643 on changes to settlement regime to address Unidentified Gas (UIG).

We agree that implementation of any of the modifications would not address the issues encountered by gas shippers in predicting and managing exposure to UIG. This is reflected in our consultation response of urgent UNC 0642 (A), 0643 modifications dated 8 February 2018.

There are a number of initiatives outstanding within the industry that we believe should help in reducing the level of UIG. The expected improvement through increasing the number of EUC bands (UNC 0644) and improving Composite Weather Variable (CWV) under UNC 0659 should help gas shippers predict volume more accurately. In addition, the proposals to mandate more reads for Winter Annual Ratios (WAR) and mandating submission of NDM Sample Data within UNC 0652 and UNC 0654 will force the industry to submit more detailed information to assist the reduction and volatility of UIG. We support the use of additional non-anonymised reporting in the future to ensure parties cannot use anonymity to avoid doing something about poor performance. We believe this would be particularly useful for future reports generated in relation to UNC 0570 and UNC 0638 mandating the submission of a Valid Meter Reading for smart and legacy meters. The Performance Assurance Committee (PAC) is yet to make progress in resolving UIG issues and we suggest a review of its ToR and potentially powers are reviewed to make it more effective.



We welcome the intent of UNC 0658 to enable the CDSP to create a taskforce to identify improvements to the settlement process. It is somewhat surprising that this has progressed through the UNC as there is no specific section in code that requires amending. We will however fully engage with the CDSP to assist development of initiatives to address UIG volatility.

Yours sincerely,

**Carl Whitehouse
Industry Codes Manager**