

Comments on CER/09/124

Gas Tariff Review 2009/10

BGE Residential and SME Customers

3.3 Network Charges and Tariff Structure

The current Tariff structure requires Suppliers to recover fixed Transportation costs by means of a unitised commodity rate. This places all the risks associated with volume variances on the Supplier. This can result in Suppliers incurring significant losses in a particular trading year. It also means that most customers have very high Winter bills and very low Summer bills. We believe that the current systems need to be changed.

4. Interim Tariff Review

We do not believe that it is useful or necessary to carry out a bi-annual review of "all" the elements of the RCF.

We would agree that the mid year review should look at the key components only i.e. cost of gas and sales volumes.

We believe that it would make more sense for the implementation date of any change in tariffs to be 1st March, 2010.