

UNC 0636D:

Mod Title: Updating the parameters for the NTS
Optional Commodity Charge while complying with
the EU Tariff Code



Proposer: Gazprom Marketing & Trading

Panel Date: 19 April 2018

Why change?



- Alternative Mod Proposal 0636C was presented to Panel last month
- GM&T agrees with the principle underpinning this Proposal that TAR Compliance requires “special treatment” at Interconnection Points
- GM&T is of the view that the solution proposed in 0636C is deficient, as:
 - It allows for OCC rates to be applied at IP Entry or IP Exit Points. This is not consistent with the application of OCC at other System Points. OCC rates are based on offtake characteristics only;
 - The formula used to derive the OCC rate at non-IPs is not cost reflective and is inconsistent with Mod 621 (and Mod 636B)

Solution



- Allow for separate treatment of IP Exit Points only and non-IP Exit Points
- For IP Exit Points the existing OCC formula should be applied
- For non-IP Exit Points an alternative OCC formula should be applied. This is based on underlying costs uplifted by RPI (same as Mod 621)

Recommended Steps



- The Proposer recommends that this modification should be:
 - An alternative to Mod 0636
 - Workgroup assessment for 1 month to be included in the Workgroup Report
 - Draft Mod Report presented to Panel on 18 May