

UNC 0678D:

Modification Title: Amendments to Gas
Transmission Charging Regime



Proposer: Anna Shrigley, Eni Trading & Shipping SpA

Panel Date: 21 February 2019

Why change?



- It is necessary to define and implement a new gas transmission charging regime that meets the requirements of the EU Tariff network code and provides for more predictable and stable charges in future.
- Modification 0678D has been raised in response to National Grid's 0678 Modification and covers the same subject matter such as gas transmission charging methodology and should be treated as an Alternative Modification.
- Modification 0678 has been granted urgent status by Ofgem who advised that any Alternative Modifications should follow the same development and delivery timetable as Modification 0678.

Options



- The proposer has expressed views to National Grid on what are major shortcomings with Modification 0678. To date, no changes have been made to address these views and it has therefore been necessary to propose this Alternative Modification.
- Raising a New Modification instead of an Alternative would act against the need for urgency, would result in duplication of Workgroup effort and lead to a disjointed consultation process. It would therefore not be in the interest of an effective code change process to go opt for a New Modification process.
- The clear choice is therefore to progress Modification 0678D as an Alternative to 0678 and to broadly the same timescale. The obvious precedent was the Panel decision to grant Modification 0621H Alternative status in relation to Modification 0621.

Solution



- The solution shares many common elements with Modification 0678 but differs in the following key area:
 - Transmission Services Revenue Recovery charges will not apply to any Existing entry capacity contracts (0678 restrict this to Existing contract for storage sites)

Recommended Steps



- The Proposer recommends that this modification should be:
 - Treated as an Alternative to Modification 0678 and assessed and progressed with them on the same timetable.
 - Not subject to self-governance given the major impact expected on system users.