

Appendix C - Summary of industry representations to the Gas DSR Methodology Consultation

Consultation Question	Stance	Number of Responses	Comments	Respondents Name
Q1. Do you agree that the reference to a DSR Flag can be removed from the gas DSR methodology?	Agree	5	<i>"It would be helpful to understand if this new approach will result in higher development costs"</i> <i>"It will be useful to have some clarity on whether the original OCM Locational Market will now revert back to its previous usage"</i>	Centrica, EUK, MEUC, RWE, SSE
	No comment	1	No comment	Uniper
Q2. Do you agree that the 7 Day rolling profile can be removed from the gas DSR methodology?	Agree	5	<i>"The regulatory barriers and cost-benefit, when compared against the likelihood of a GDW, do support the argument for removing the 7 day rolling profile"</i> <i>"We agree that the financial and regulatory issues connected with the provision... make it less attractive and that, consequently, we support its removal"</i> <i>"Given the regulatory barriers identified by ICE Endex, removing the 7 day rolling profile is a reasonable approach. However, it should be noted that this is likely to have a significant impact on Shippers, which in turn will likely shape the type of DSR contracts that they will be willing to sign with customers"</i>	Centrica, Uniper, RWE, EUK, SSE
	Disagree	1	No comment given	MEUC
Q3. Do you agree that the proposed	Agree	4	<i>"All things considered the proposed amendments appear proportionate and consistent with</i>	Centrica,

amendments to the DSR methodology are in line with the DSR Methodology Principles?			<i>meeting the DSR Methodology Principles”</i>	EUK, RWE, SSE
	No comment	1	No comment given	Uniper
	Disagree	1	No comment given	MEUC
Q4. Do you agree with our proposed changes to the gas DSR methodology?	Agree	4	“The changes appear appropriate”	Centrica, EUK, RWE, SSE
	No comment	1	No comment	Uniper
	Disagree	1	No comment	MEUC
Q5. Will the revisions to the methodology and removal of “non-core” functionality impact your participation in gas DSR?	No impact	4	<p><i>“There should be no impact on our participation but the removal of non-core functionality could lead to inefficiencies and costs that could impact contractual terms with suppliers/consumers”</i></p> <p><i>“We have always supported a de minimis standard product, with shippers tailoring their individual contracts to meet customer requirements. The level of any fee for the service will reflect the complexity of delivering that service. National Grid has recognised in the consultation that removing the so called non-core functionality may increase the frequency that offers need to be posted on the OCM”</i></p> <p><i>“It is likely the high potential workload will push shippers and customers down the route of posting offers in the immediate vicinity of a GDW”</i></p>	SSE, Centrica, RWE, Uniper
	Unlikely	1	<i>“Unlikely but possibly for some members”</i>	MEUC

	Impact	1	<i>"The rollover of a 7 day profile was a feature that large consumers wanted to see so that production profiles could be replicated. Whilst the rollover of profiles was to ease the administrative burden on shippers' operational staff. Given that these will not be available the burden on operational staff of re-submitting bids and risks of errors will increase. This may limit participation in the DSR arrangements"</i>	EUK
Q6. Are there any other revisions which you feel need to be made to the gas DSR methodology?	No	5	No comment	Centrica, EUK, RWE, SSE, MEUC
	No Comment	1	No Comment	Uniper
Q7. Are there any other comments you wish to make?	Further comments	3	<p><i>"National Grid identified 7 day offer profiles and sleeper bids as elements of non-core functionality. The issue of 7 day offer profiles has been directly addressed in the proposed amendments. For the avoidance of doubt, could National grid please confirm the status of sleeper bids?"</i></p> <p><i>"...further issues that have come to light in relation to shippers with multiple accounts and whether potential DSR provider customers are linked with the shipper account that also has an ICE account and the withdrawal of bids at a change of shift. The latter may lead to additional shipper costs if further ICE accounts are required"</i></p> <p><i>"the proposed changes are a case of "the tail wagging the dog". The platform for this system was chosen for convenience as it already existed rather than having to create one from scratch. Some respondents to the original proposals said that multi day rolling bids were a requirement for their participation. Therefore limitations of the system should not change what</i></p>	EUK, MEUC, RWE

			<i>is offered to consumers. Having said this I doubt if the change propose will change the number of participants as to my knowledge with little over 3 months to the launch date there are no suppliers actively marketing gas DSR contracts"</i>	
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