

## Representation - Draft Modification Report UNC 0628S

### Standard Design Connections: PARCA process

Responses invited by: **5pm on 12 July 2018**

To: [enquiries@gasgovernance.co.uk](mailto:enquiries@gasgovernance.co.uk)

<b>Representative:</b>	Nicola Lond
<b>Organisation:</b>	National Grid Transmission
<b>Date of Representation:</b>	09/07/18
<b>Support or oppose implementation?</b>	Support
<b>Relevant Objective:</b>	<p>a) Positive</p> <p>c) Positive</p> <p>d) Positive</p>

#### Reason for support/opposition: Please summarise (in one paragraph) the key reason(s)

As the Proposer, National Grid NTS fully supports the implementation of this Modification in order to support the implementation of the NIC Project CLoCC objectives of delivering quicker and cheaper customer connections to the National Transmission System.

National Grid NTS believes that UNC Modification 0628s furthers the Relevant Objectives as outlined in the Draft Modification Report thus:

- a) Efficient and economic operation of the pipe-line system – This Modification will enable a quicker process for the reservation of capacity where possible, in order to facilitate more efficient and cost effective process for new gas connections to the NTS.
- c) Efficient discharge of the licensee’s obligations. - This Modification will enable National Grid NTS to discharge its Gas Transporter Licence obligation to accommodate NTS connection requests in a quicker and cheaper manner.
- d) Securing of effective competition between shippers. - This Modification aims to encourage new types of customers to connect to the NTS, thus expanding the range of supply sources. Greater availability and diversity of supply promotes effective competition between shippers and may result in downward pressure on wholesale gas prices. This Modification also opens up the NTS to a wider range of Exit customers.

In addition, we consider that the Modification furthers Section Y (Connection Charging Methodology) Relevant Objectives:

- b) Charging methodology properly takes account of developments in the gas transportation business - We expect a growth in unconventional supplies of gas to the NTS and our customer base to broaden as a result. The changes to UNC TPD Section Y proposed by this Modification aim to facilitate this development in the gas transportation business.
- c) Compliance with the charging methodology facilitates effective competition between gas shippers and between gas suppliers - The Modification will introduce appropriate changes to the Connection Charging Methodology within the UNC to allow reduced PARCA application fees to be applied where possible, potentially encouraging new customers to connect to the NTS and promoting new and more diverse sources of supply, thereby strengthening competition between gas shippers.

**Self-Governance Statement:** *Please provide your views on the self-governance statement.*

National Grid NTS agrees with the self-governance statement and supports self-governance.

**Implementation:** *What lead-time do you wish to see prior to implementation and why?*

Whilst we understand that the Modification can be implemented 16 business days after Panel direction,(subject to no appeal being raised), we propose that an implementation date of 30<sup>th</sup> October 2018 is appropriate in order to align with the completion of Project CLoCC.

**Impacts and Costs:** *What analysis, development and ongoing costs would you face?*

National Grid NTS does not expect there to be any ongoing costs as a result of this Modification.

**Legal Text:** *Are you satisfied that the legal text will deliver the intent of the Solution?*

National Grid NTS is satisfied that the legal text proposed will deliver the intent of this Modification.

**Are there any errors or omissions in this Modification Report that you think should be taken into account?** *Include details of any impacts/costs to your organisation that are directly related to this.*

No.

**Please provide below any additional analysis or information to support your representation**

National Grid NTS is satisfied that all the necessary information is contained within the Draft Modification Report.