

Representation - Draft Modification Report UNC 0844

Enabling Direct Contractual Arrangements with Consumers for Demand Side Response

Responses invited by: **5pm on 13 July 2023**

To: enquiries@gasgovernance.co.uk

Please note submission of your representation confirms your consent for publication/circulation.

Representative:	Jeff Chandler
Organisation:	SSE
Date of Representation:	
Support or oppose implementation?	Comments
Relevant Objective:	a) Positive b) Positive
Relevant Charging Methodology Objective:	Not Applicable

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

SSE offers comments for this proposal.

We are supportive of the intention of the modification as it seeks to enable wider participation of I&C consumers in offering DSR through direct contracting which may facilitate more contracts. More DSR will reduce the need to declare a gas deficit supply emergency, which may limit the need for firm load shedding. This is consistent with furthering relevant objective a and b.

However, SSE has 2 concerns which are outlined below:

1. The new interpretation of the Gas Act that allows for NG to contract directly with consumers. This is counter to the last documented position by NG at the last review and since the inception of the UNC. We therefore expect that it is clearly set out, in Licence or Ofgem's decision letter, that this interpretation is limited to only contracting for DSR purposes.
2. It is disappointing that NGT is unwilling to commit to communicating with the relevant shippers, its direct customers, in the event of contract exercise as requested at workgroup. The proposed communications route from customer to supplier and then to shipper is not reliable. NG should ensure adequate resourcing such that they will inform

Shippers of any exercise. SSE are supportive of any subsequent modification to codify this change.

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

SSE agrees with the timeline in the modification report

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

N/A