

Representation - Draft Modification Report UNC 0713S Amendments to TPD V3.1.7 Independent Assessment table

Responses invited by: **5pm on 02 April 2020**

To: enquiries@gasgovernance.co.uk

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

Representative:	Phil Lucas
Organisation:	National Grid NTS
Date of Representation:	30 March 2020
Support or oppose implementation?	Support
Relevant Objective:	d) Positive f) Positive

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

National Grid NTS ('National Grid') concurs that modification of the Independent Assessment table contained in TPD V3.1.7 is required as the credit rating agency Graydon has changed the ratings it allocates to individual entities to illustrate credit worthiness. National Grid agrees that implementation would better facilitate relevant objectives (d) and (f) as this change ensures the continuation of User access to unsecured credit (for Transportation Charges) via an Independent assessment provided by Graydon. The change would also ensure that the UNC enables the Transporter to take account of the latest reporting of the specific independent credit rating provider.

We note that the existing provision to afford a level of Unsecured credit equal to the *lower* of the value derived from the Independent Assessment table and the credit value recommended within the Independent Assessment is retained. This provides an effective means of ensuring that an appropriate level of unsecured credit is available to the User and that the Transporter (and other industry parties) are not exposed to excessive risk.

Self-Governance Statement:

National Grid agrees that the change is administrative in nature and will not have a material impact. On this basis we agree that the application of self-governance procedures is appropriate.

Implementation:

National Grid does not require any specific lead time for implementation and would be able to implement as soon as the governance procedure allows in the event that the Proposal is approved.

Impacts and Costs:

National Grid will not incur any additional analysis, development or ongoing costs as a consequence of implementation.

Legal Text:

National Grid is satisfied that the legal text would deliver the intent of the solution.

Are there any errors or omissions in this Modification Report that you think should be taken into account?

National Grid has not identified any such errors or omissions.

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

N/A