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4th June 2019
Your Reference: UNC Modification Proposal 0686

UNC Modification Proposal 0686
– Removal of the NTS Optional Commodity Rate with Adequate Notice

Dear Bob,

Thank you for your invitation seeking representations with respect to the above Modification Proposals.

Do you support or oppose implementation?

Support

Standard Relevant Objective:

- c) Positive
- d) Positive
- g) Positive

Charging Methodology Relevant Objective:

- a) Positive
- b) Positive
- c) Positive
- e) Positive

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

To the extent that users subscribe to the optional charge, the discount provided is absorbed by other users. Growth in the uptake of the optional charge, coupled with its parameters being anchored to a historical point in time creates a cross subsidy between user classes. We therefore, do not support the retention of this optional charge.

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

In the event of an Ofgem direction, implementation should take place as soon as possible to allow for prices to take effect from 1st October 2019, with advance price notification requirements as per licence and code.

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

n/a

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

We are satisfied that the Legal Text provided meets the intent of the solution.

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.

We have not identified any errors or omissions.

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

Please note that if UNC Modification Proposal 0678 were to be implemented on a CWD basis, this would take account of both distance and load size and therefore, negate the need for the OCC.

We trust that this information will assist in the compilation of the Final Modification Report. Please contact me on 07580 999287 (shiv.singh1@cadentgas.com) should you require any further information.

Yours sincerely,

Shiv Singh
Framework Specialist, Regulatory Strategy