

Representation - Draft Modification Report UNC 0611 Amendments to the firm capacity payable price at Interconnection Points

Responses invited by: **5pm on 06 July 2017**

To: enquiries@gasgovernance.co.uk

Representative:	Colin Hamilton
Organisation:	National Grid NTS
Date of Representation:	7 th July 2017
Support or oppose implementation?	Support
Relevant Objective:	g) Positive

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

As the proposer National Grid NTS fully supports the implementation of the Modification Proposal.

Modification Proposal 0611 seeks to ensure that the rules for the payable price for existing capacity at interconnection points are compliant with the EU Tariff Code. In addition, it facilitates the incremental process arising from the EU CAM Code by allowing an adjustment to the reserve price (as detailed in the EU Tariff Code) where required to allow the economic test to be passed.

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?

No implementation date has been specified; however National Grid notes the entry into force of the EU Tariff Code was 6th April 2017 and that the first annual auction impacted by this code shall be in July 2018.

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

The development and costs (if any) of the solution form part of National Grid's EU phase 4 project.

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

National Grid is satisfied that the legal text will deliver the intent of this modification proposal.

Modification Panel Members have requested that the following questions are addressed:

Q1: Please provide clear views and supporting evidence on the self-governance status of this modification focusing, in particular, on whether this proposal is likely to have a material impact upon competition in the shipping, transportation or supply of gas.

National Grid believes that it should be subject to self-governance procedures, as the modification should not materially impact competition and the contractual regime for the transportation of gas through pipes because it is unlikely to materially change the payable price for capacity released at interconnection points in both the Annual Yearly auction and in any incremental release.

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.*

None identified.

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

No further comments.