

Eni UK

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NSGP/LET/PS/ys/.../05

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Julian Majdanski
Panel Secretary
Joint Office of Gas Transporters
Ground Floor Red
51 Homer Road
Solihull
West Midlands
B91 3QJ

Dear Mr Majdanski

Response to Urgent Modification Proposal 0037 “Limitation on offering for sale unsold capacity”

In this letter, Eni UK Limited (“Eni”) have set out its views in response to Transco NTS’s Urgent Modification Proposal 0037 “Limitation on offering for sale unsold capacity”.

It is our understanding that Transco NTS seek to modify the Uniform Network Code (“UNC”), by removing the obligation placed on Transco NTS to make Unsold NTS Entry Capacity (“unsold capacity”) available to Users at an Aggregate System Entry Point (“ASEP”).

Eni do not support the implementation of this modification as we feel that Transco NTS have not fully demonstrated why this modification is required, the only issue they highlight is the “potentially high buy-back costs at specific Aggregate System Entry Points” that Transco NTS and Users may incur if the modification is not implemented. Eni believe that any significant change in the Entry Capacity regime should be properly considered and that Transco NTS should provide detailed reasoning with a full cost-benefit analysis why they believe Users may face “potentially high buy-back costs”.

Furthermore Eni are concerned that Transco NTS’s modification proposal to limit the offering of unsold capacity are based upon criteria which are only assessed by Transco NTS. Eni do not consider that this is an appropriate mechanism and we would prefer to see a mechanism which is clear and transparent to all market players and not just based upon Transco NTS’s own assessment.

In summary, Eni believe that the current modification is unacceptable because it does not provide a detailed cost-benefit analysis for its implementation and because the criteria for withholding any unsold capacity are not clear and transparent.



We hope our comments will be given due consideration before a final decision is made with regards to the implementation of this proposal.

Yours sincerely,

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