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0108

Your Ref: UNC

Dear Julian

Re: Modification Proposal UNC108 'Publication of Near Real Time Data at GB Storage Sites': draft Modification Report

energywatch wishes to comment on the draft Modification Report as follows:

While we understand that there may be some commercial exposure of particular storage operators through the obligation to publish data on flows of gas at all entry points under UNC006, we believe that the benefits of greater market transparency outweigh any possible adverse impacts. Overall, there ought to be more efficient operation of the system as a result and parties should be able to make the necessary commercial adjustments close to real time to cover their positions. This should result in lower costs and benefits to end consumers, which is the main purpose of UNC006.

We also consider that there is a risk that aggregating data to a single entry point will allow some of the discriminatory behaviour which UNC108 seeks to remove to manifest itself through the protection of some storage operators from not disclosing data at single entry points. This would have the reverse effect of keeping valid commercial data from the market, creating inefficiency and higher costs. This would be contrary to the benefits which we envisage will flow from UNC006.

As a result, we are opposed to the implementation of UNC108. That said, we do appreciate why the Proposer has raised this modification and wonder whether there may be an alternative route to reducing the commercial risk identified. The Proposer is in a unique position in having to publish nominations and we would question the real value of this now

that 006 has been approved. Perhaps this is an area the Proposer and others could explore.

If you do wish to discuss our response further please do not hesitate to contact me on 0191 2212072.

Yours sincerely

Carole Pitkeathley
Head of Regulatory Affairs