

## Representation

### Draft Modification Report

#### **Modification Proposal 0343: The ability and requirement for Users and Transporters to raise issues to be considered by the Allocation of Unidentified Gas Expert as "known" issues**

**Consultation close out date:** 8<sup>th</sup> July 2011

**Respond to:** enquiries@gasgovernance.co.uk

**Organisation:** Gazprom Marketing & Trading Retail (GMT&R)

**Representative:** Steve Mulinganie  
Regulation & Compliance Manager

**Date of Representation:** 8<sup>th</sup> July 2011

#### **Do you support or oppose implementation?**

**We oppose the implementation**

**Please summarise (in one paragraph) the key reason(s) for your support/opposition.**

**The introduction of an AUGÉ has involved the appointment of an independent industry Expert with powers to seek information into the issues relating to the allocation of unidentified gas. We believe the AUGÉ to be suitably knowledgeable of the issues and to be competent to carry out the role of AUGÉ and investigate issues and seek information as necessary to discard its obligations.**

**We note the AUGÉ has already proactively sought information from participants and the industry has proactively responded to calls for information.**

**As the roles within the market are generic i.e. Transporters, Shippers and Suppliers we believe that issues raised by any party would be relevant to similar other market participants and therefore compulsion of individual parties is not an absolute necessity.**

**The AUGÉ has also made clear that they are happy to receive any information from parties which may aid in the production of the AUG report.**

**We believe a process lead by the AUGÉ as the independent Expert is more appropriate than a process were participants lead the AUGÉ and therefore do not see the necessity or the benefit of this obligation being introduced within the UNC. It is also unclear how such an obligation could be monitored and enforced.**

**The modification may also result in parties submitting information that may not be material / relevant to ensure they are compliant with the modification. We also believe there might be a risk that relevant issues are missed by the AUGÉ due to the volume of immaterial issues submitted.**

**It is also likely that this will increase the costs incurred due to the volume of issues raised and affect the efficiency of the AUG process.**

**However we would welcome any additional clarity needed within the AUGÉ guidelines to make clear that parties can raise any issues directly with the AUGÉ at any point during the process.**

**Are there any new or additional issues that you believe should be recorded in the Modification Report?**

**No.**

**Relevant Objectives:**

*How would implementation of this modification impact the relevant objectives?*

Standard Special Condition A11.1 (f): So far as is consistent with subparagraphs (a) to (e) the promotion of efficiency in the implementation and administration of the network code and/or the uniform network code.

**We understand this Proposal would oblige UNC signatories to bring forward 'issues' associated with Unidentified Gas. GMT&R believe this objective is not facilitated based on the lack of a means by which the relevant obligation can be monitored, validated and enforced.**

### **Impacts and Costs:**

*What analysis, development and ongoing costs would you face if this modification were implemented?*

**We believe this proposal may lead to duplication of effort with the AUGE carrying out analysis while all other participants are required to undertake a similar level of analysis to determine if any issues need to be reported**

### **Implementation:**

*What lead-time would you wish to see prior to this modification being implemented, and why?*

**No comment**

### **Legal Text:**

*Are you satisfied that the suggested legal text will deliver the intent of the modification?*

**No comment**

### **Is there anything further you wish to be taken into account?**

*Please provide any additional comments, supporting analysis, or other information that that you believe should be taken into account or you wish to emphasise.*