

## Representation

### Draft Modification Report

#### 0363 - Commercial Arrangements for NTS Commingling Facilities

**Consultation close out date:** 12 September 2011  
**Respond to:** enquiries@gasgovernance.co.uk  
**Organisation:** **Corona Energy**  
**Representative:** Richard Street  
**Date of Representation:** 12 September 2011

#### Do you support or oppose implementation?

Qualified Support

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

Corona supports this modification insofar as it accommodates the connection and delivery of unconventional gas which requires blending in order to comply with gas quality standards. We understand that the proposal will introduce a variation to the way qualifying connecting facilities are charged, however, given the nature of the flows it would seem reasonable to assume that they would not impose any additional costs on the NTS. In addition, given that the appropriate charges will be levied in the event that net flows were not positive, Corona is comfortable that the proposal provides a workable and cost reflective solution. Corona would have preferred if the proposal had been broadened as the application of the service is specific to "commingling facilities", however, we understand that in the event that other facilities which may benefit from a similar service, but do not qualify under the stated criteria, may propose a further modification to the UNC.

#### 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?*

On the basis that it is assumed that the proposed charges are cost reflective, we believe that the proposal would better facilitate competition between relevant shippers (d).

**Impacts and Costs:**

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

Corona believes that proposal would have positive impacts on security of supply, by providing a route to market for unconventional gas. We would suggest that if a blending service was not made available by NG NTS, then the costs to the developer of investing in the necessary gas quality equipment and infrastructure would be prohibitive.

**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 legal text will deliver the intent of the modification?*

Yes

**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.*

No