

## **Gazprom Energy Representation**

### **Draft Modification Report**

#### **0369 / 0369A - Re-establishment of Supply Meter Points – measures to address shipperless sites**

**Consultation close out date:** 3<sup>rd</sup> February 2012

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

**Organisation:** Gazprom Marketing & Trading Retail (GMTR)

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

**Date of Representation:** 3<sup>rd</sup> February 2012

**Do you support or oppose implementation?**

**Mod 0369 - NOT IN SUPPORT**

**Mod 0369A – SUPPORT**

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

While we recognise the issues raised by Ngrid, although question their materiality, we are concerned that in their proposal as currently drafted Shippers / Suppliers could be exposed to unreasonable risk in certain scenarios which would be beyond their reasonable control.

If the meter is owned by the Consumer and the Shipper / Supplier has taken action to remove the meter then the ability for the Shipper / Supplier to remove the meter from the Consumers site is limited as the asset is in the direct ownership of the consumer. We would also note that having Isolated and Withdrawn from the site the Shipper / Supplier would not be in a position to revisit the site once the withdrawal has been actioned.

This is unlike the scenario when the meter is rented from a Meter Asset Manager by the Shipper / Supplier who can require the meter to be removed from site and returned to the title owner. Our proposal merely seeks to provide protection to Shippers / Suppliers from these consequential risks which are out ~~with-of~~ the Shipper / Suppliers reasonable control i.e. the ability to remove the meter from the consumer's site.

Based on the principle set out above our proposal also covered works undertaken by the Transporters directly as again in such a scenario it is the Transporter who determines the appropriate works which are undertaken and if they choose to leave assets on site they expose the Shipper / Supplier to potential risk. Our proposal merely seeks to provide protection to Shippers / Suppliers from these consequential risks which are out ~~with-of~~ the Shipper / Suppliers reasonable control i.e. the Transporters actions on site.

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

None

**Relevant Objectives:**

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

We consider that these modifications would facilitate GT Licence Relevant Objectives (d) and (f) as follows:

Standard Special Condition A11.1 (d): so far as is consistent with subparagraphs (a) to (c) the securing of effective competition:

- (i) between relevant shippers;
- (ii) between relevant suppliers; and/or
- (iii) between DN operators (who have entered into transportation arrangements with other relevant gas transporters) and relevant shippers;

**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?*

We would like to verify that the legal text is clear that in the event a Shipper / Supplier is unable to remove the meter from site as it is within the control of the consumer the Shipper / Supplier is not liable for any retrospective action and that this applies in cases of meters connected and off-taking and meters which are just connected.

**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