

Representation

Draft Modification Report

0373: Governance of NTS connection processes

Consultation close out date: 30 March 2012
Respond to: enquiries@gasgovernance.co.uk
Organisation: E.ON UK
Representative: Richard Fairholme
Date of Representation: 28 March 2012

Do you support or oppose implementation?

Support

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

As proposer of Modification 0373, we fully support implementation. The Modification has undergone extensive, detailed development in a workgroup and bilaterally between the proposer and National Grid NTS to ensure that the final proposal is an equitable, transparent and comprehensive revision to the current physical NTS connection 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?

We have nothing further to add to what is already contained within the Draft Modification Report, which accurately assesses the Modification against the relevant objectives.

Impacts and Costs:

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

Implementation may lead to small administrative costs for Shippers/Developers adjusting to the new physical NTS connection arrangements. We do not foresee any IT or significant operational costs beyond this. Rather, we would expect operational and administrative costs to be reduced, as a result of no longer having to deal with an opaque, ad hoc NTS physical connection process.

Implementation:

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

As soon as possible. Given the lengthy development period and desire amongst NGG's customers to see a revised NTS connection process as soon as possible, we would urge Ofgem to make a decision on implementation quickly. We understand that NGG are fully geared up to implement the new proposal and therefore no specific lead-time is required, other than any licence-specific obligations (e.g. obligation to publish a connection charging statement). From a customer point of view, no specific lead time is required, although Shippers/Developers with projects already in progress may need reasonable notice to adjust to the new arrangements, but we would anticipate that NGG has already indicated this to project developers currently seeking an NTS connection with NGG.

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.

We do not believe that current, early industry discussions on aligning capacity with connections should in any way delay implementation of this proposal. This proposal can be implemented without any further development and is anticipated to be the foundation for future developments in this area.