

Representation

Draft Modification Report

0376 and 0376A: Increased Choice when Applying for NTS Exit Capacity

Consultation close out date: 06 January 2012

Respond to: enquiries@gasgovernance.co.uk

Organisation: Scotland and Southern Gas Networks (SGN)

Representative: Colin Thomson

Date of Representation: 22 December 2011

Do you support or oppose implementation?

0376 - Qualified Support

0376A - Qualified Support

If either 0376 or 0376A were to be implemented, which would be your preference?

Prefer 0376

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

Both of these Modification proposals offer an increased level of flexibility when applying for Enduring NTS Exit (Flat) Capacity, extending the time for application from Y+4 to Y+6 and for a start date on the 1st of any month between October Y+4 and September Y+6, not restricted to the 1st October.

Modification 0376 allows further choice in reducing the minimum threshold application from 10GWh/day to 1GWh/d.

SGN offers Qualified Support for these proposals as we believe there are benefits to their implementation for Users. All examples provided in the modification to support the proposed change relate to Shipper Users. Although DNO user may gain some future benefit from this change we do not envisage this to be in the magnitude reflected by the DNO share of the User Pays charges.

A more reflective apportionment of the User Pays charges maybe Gas Transporters 25% and Users 75%, with the Transporters split 15% NTS and 10% DNO's.

0376/0376A
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Version 1.0

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

None

Self Governance Statements:

Do you agree with the Modification Panel's decision that these should be self-governance modifications?

Yes

Relevant Objectives:

How would implementation of these modifications impact the relevant objectives?

We agree that these proposals will better facilitate relevant objectives c) and d).

Impacts and Costs:

What analysis, development and ongoing costs would you face if these modifications were implemented?

As mentioned above the User Pays element of these proposals gives us some concern.

Implementation:

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

Implementation could be 16 days after the Modification Panel decision.

Legal Text:

Are you satisfied that the legal text will deliver the intent of each 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.

Nothing.