

Representation

Draft Modification Report

0392: Proposal to amend Annex A of the CSEP NExA table, by replacing the current version of the AQ table

Consultation close out date: 16 November 2011

Respond to: enquiries@gasgovernance.co.uk

Organisation: **ScottishPower Energy Management Ltd**

Representative: David McCrone

Date of Representation: 14 November 2011

Do you support or oppose implementation?

Support

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

As the proposer of the modification, ScottishPower fully supports the update of the data held within the NExA Table to reflect more up to date, accurate information. The values within the NExA Table have not changed since 2006. In this time there has been a material change in customer behaviour in response to increasing energy costs and the increasing implementation of energy efficiency measures. This has not been reflected within the data used by the industry. It has been recognised by the corresponding iGT030 workgroup and UNC Demand Estimation Sub-Committee (DESC) that the proposed values are more reflective of the current market so it is appropriate that the NExA Table within the UNC is also updated at this time.

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

None that we have identified.

Relevant Objectives:

How would implementation of this modification impact the relevant objectives?

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Updating the values held within the CSEP NExA Table to those which are more reflective of the current market will ensure that the allocation of energy and transportation costs between shippers are made more reflective of the true market position. The more accurate targeting of costs between shippers/suppliers is consistent with securing effective competition and therefore better facilitates relevant objective (d).

Impacts and Costs:

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

We do not predict that we would face any additional costs if this modification was implemented. The accuracy of those costs which already exist with regards to CSEP off-take would increase and be more reflective of the current position.

Implementation:

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

In order for market participants to obtain the maximum benefit from the proposal, we would wish the new values to be introduced as soon as possible following a direction from the Authority.

Legal Text:

Are you satisfied that no legal text is required to deliver the intent of the modification?

The revised CSEP NExA Table is essentially the legal text so we believe that this meets the intent of the modification. As it is a straight forward updating of the values held within the Table, no change is required to the UNC itself.

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 further comments.

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