

Representation

Urgent Modification Proposal

0405: Bottom Stop SOQ Appeal Mechanism for 2011/12

Consultation close out date: 01 December 2011
Respond to: enquiries@gasgovernance.co.uk
Organisation: npower
Representative: Amie Charalambous
Date of Representation: 01 December 2011

Do you support or oppose implementation?

Support/Qualified Support/Neutral/Not in Support/Comments* *delete as appropriate*

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

Where a customer had reduced consumption but could not reduce capacity below the BSSOQ, we would consider this to be unfair and would want a mechanism to be able to set it lower. The customer ultimately would be penalised. The basis for the lower SOQ would have to be proven - in the new regime as most sites are now firm, ratchet charges also provide a safeguard against artificially lowered SOQs.

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?

Be believe that the implementation of this modification would will better facilitate the achievement of the Relevant Objectives c, d (i) and (ii) as specified in the modification proposal

Impacts and Costs:

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

The impacts for npower would be minimal

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Version 1.0

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Implementation:

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

We would support the lead times recommended in the proposal. If it needs to be done this winter it would have to go through this route. It seems there would be a serious commercial impact for an affected customer elsewhere if this does not go through, this should not be encouraged, particularly as it appears they would be paying charges essentially for artificially inflated capacity due to the industry constraints.'

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