

Representation

Draft Modification Report

0410 and 0410A: Responsibility for gas off-taken at Unregistered Sites following New Network Connections

Consultation close out date: 07 June 2013
Respond to: enquiries@gasgovernance.co.uk
Organisation: WINGAS UK Limited
Representative: Rob Johnson
Date of Representation: 04 June 2013

Do you support or oppose implementation?

0410 - Support

0410A - Support

If either 0410 or 0410A were to be implemented, which would be your preference?

WINGAS UK does not perceive these two Modifications to be alternatives to one another and furthermore believes that both of these could be implemented concurrently.

If either 0410 or 0410A or both were to be implemented, which would be your preference?

Both.

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

When applied concurrently, these two modifications will ensure that the party who creates the MPRN compensates the industry for unallocated gas used by the site when unregistered which in turn incentivises supply contracts be put in place before the supply is put in (Mod 0410) and subsequently shows a clear path to resolve sites that are unregistered (Mod 0410A).

It is worthwhile noting that WINGAS UK Ltd perceives Modification 0410A to have scope for further development as there are several loop holes that would allow a site to continue to burn gas whilst unregistered. Also the process does not seem to address sites without a Supplier contracted to them (e.g. UIPs doing new developments), so does

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not resolve the overwhelming majority of sites (7,500 new MPRNs a month created by transporters, 500 a month by Suppliers).

Modification Panel Members have indicated that it would be particularly helpful if the following question could be addressed in responses:

Q1: Do you believe that both Modifications could be implemented, such that both the 0410 and 0410A requirements are introduced to the UNC?

Yes, WINGAS UK Ltd sees scope for both modifications to be implemented as in their current form they do not overlap. More specifically, Mod 0410 is designed to recover compensation for gas used by sites that are unregistered and Mod 0410A creates a mechanism for identifying unregistered sites that use gas.

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

We do not perceive that Modification 0410A is an alternative to Modification 0410 and as such should be re-classified.

Relevant Objectives:

How would implementation of either of these modifications impact the relevant objectives?

WINGAS UK agrees that either used singly or in collaboration, these modifications will reduce unidentified gas and therefore reduce costs which in turn will improve competition between shippers.

Impacts and Costs:

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

WINGAS UK Ltd does not request MPRNs directly from Transporters or via UIPs without there being a signed supply contract in place. As such there will be no impact on our business.

Implementation:

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

WINGAS UK Ltd hopes that implementation can be made as soon as possible whilst ensuring that industry parties are given enough time to adjust processes to accommodate any changes that will affect them.

Legal Text:

Are you satisfied that the legal text and the proposed ACS (see www.gasgovernance.co.uk/proposedACS) will deliver the intent of these modifications?

We have not reviewed the Legal text or ACS changes.

Is there anything further you wish to be taken into account?

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Please provide any additional comments, supporting analysis, or other information that you believe should be taken into account or that you wish to emphasise.

No.