

## Representation

### Draft Modification Report

#### 0417S: Notice for Enduring Exit Capacity Reduction Applications

**Consultation close out date:** 11 June 2012  
**Respond to:** enquiries@gasgovernance.co.uk  
**Organisation:** Scottish Power  
**Representative:** Gerry Hoggan  
**Date of Representation:** 11 June 2012

#### Do you support or oppose implementation?

Support

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

We consider that it is inequitable to prevent a user from modifying its capacity holdings in line with its operational requirements where it has already made full payment of the User Commitment Amount to which it had initially committed. For that reason we support this proposal which will better allow users to optimise the efficient use of their capacity holdings while at the same time releasing capacity to the market that would otherwise remain sterilised.

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

While not strictly relevant to this modification we do believe that the issue that this is intended to address is symptomatic of concerns generally within the charging regime, particularly as regards charging volatility and especially significant variations between indicative and actual prices, and the lack of certainty that that brings both operationally and for future investment.

#### Self Governance Statement:

*Do you agree with the Modification Panel's decision that this should be a self-governance modification?*

Yes

**Relevant Objectives:**

*How would implementation of this modification impact the relevant objectives?*

We agree with the proposer’s assessment of how this change would better facilitate achieving the relevant objectives highlighted in the Modification Report.

**Impacts and Costs:**

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

Those users who are able to benefit from this modification will see a reduction in their direct costs although this in turn will then be redistributed across the remainder of the user community.

**Implementation:**

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

We would wish to see this change implemented immediately upon direction.

**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