

Representation

Draft Modification Report

0419: Redefining the capacity of the Specified Exit Point used in the calculation of the NTS Optional Commodity tariffs

Consultation close out date: 11 June 2012

Respond to: enquiries@gasgovernance.co.uk

Organisation: E.ON UK

Representative: Richard Fairholme

Date of Representation: 08 June 2012

Do you support or oppose implementation?

Support.

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

E.ON supports implementation of this proposal and agrees with the proposer's representation that:

"Implementation of this modification would remove the possibility of the NTS Optional Commodity tariff being undefined as a result of zero being used as the divisor in the NTS Optional Commodity tariff equation. Ensuring that the charging methodology is workable and generates defined charges ensures efficient discharge of the licensee's obligations to maintain an appropriate charging methodology"

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

No.

Relevant Objectives:

How would implementation of this modification impact the relevant objectives?

We agree with the proposer's assessment against the relevant objectives and have nothing further to add.

Impacts and Costs:

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

The costs to Shipper Users of not implementing this proposal is the more pertinent question in this case, since affected Users would no longer be able to make use of the Optional Commodity charge, thereby imposing significant, unavoidable costs. This would be bad for competition and an unreasonable burden on Users who have previously elected to be on the short-haul tariff.

Implementation:

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

As soon as possible to avoid the significant problems that not implementing before 1st October 2012 would cause.

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.