

Representation

Draft Modification Report

0439: Notice for Enduring Annual Exit (Flat) Capacity Reduction Applications

Consultation close out date: 15 April 2013
Respond to: enquiries@gasgovernance.co.uk
Organisation: EDF Trading Limited
Representative: Sofia Eng
Date of Representation: 08 April 2013

Do you support or oppose implementation?

Support

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

We support the modification in light of that it makes the capacity reduction process more flexible. It would increase the scope for users to respond to price signals and would provide users with greater certainty regarding potential financial exposure.

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?

Our view is that the modification supports objective d) in that it would further effective competition. The modification would minimise the discrimination that exists between users under current arrangements, given that not all users are subject to the 14 month notice period in all circumstances.

The modification also supports objective g) on compliance with European Regulation, given that it is in line with the requirement for TSOs to implement non-discriminatory capacity allocation systems that provide appropriate economic signals for efficient use of capacity.

Impacts and Costs:

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

None.

Implementation:

0439
Representation

08 April 2013

Version 1.0

Page 1 of 2

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

Our view is that the modification should be implemented well in advance of the next capacity application window in July 2013.

Legal Text:

Are you satisfied that the legal text [and the proposed ACS (see www.gasgovernance.co.uk/proposedACS)] 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.