

Representation

Draft Modification Report

0442 and 0442A:

Amendment to the implementation date of the Allocation of Unidentified Gas Statement (AUGS) for the 2013/14 AUG year

Consultation close out date: 22 February 2013
Respond to: enquiries@gasgovernance.co.uk
Organisation: Statoil (UK)Ltd
Representative: Shelley Rouse
Date of Representation: 21 February 2013

Do you support or oppose implementation?

0442 - Not in Support

0442A - Not in Support

If either 0442 or 0442A were to be implemented, which would be your preference?

Statoil does not support the implementation of either modification, and therefore would not wish to state a preference

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

Statoil does not support implementation of either of the proposals as they create uncertainty and instability in the arrangements. By allowing a UNC modification to challenge the decisions of the AUGS rather than the defined process the independence and authority of the AUGS is undermined. The compressed timescales for the proposed changes, particularly in 0442, do not allow time for a full and proper consultation or for I&C suppliers in particular to accurately reflect the amended cost allocations in the terms and conditions supplied to their customers.

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

No

Relevant Objectives:

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

d. securing effective competition

The implementation of either of these modifications would undermine the independence and authority of the AUG. This would create risk and uncertainty in the market, which would have a detrimental impact on the development of effective competition.

f. promoting efficiency in the implementation and administration of the UNC

Allowing a change to the established AUGE processes and timelines via a UNC modification rather than the agreed methodology, creates uncertainty in the regime and would result in compressed timescales and an inefficient and incomplete assessment process. This would put undue pressure on the AUGE and also allow insufficient time for notification of any changes to consumers, all adversely impacting the efficiency in the implementation and administration of the UNC.

Impacts and Costs:

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

No comment

Implementation:

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

Statoil does not support implementation of either proposal

Legal Text:

Are you satisfied that the legal text will deliver the intent of each of these modifications?

No comment

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