

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: DONG Energy UK

Representative: Lorna Lewin

Date of Representation: 12 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?

We do not believe it is appropriate to implement either of the proposed modifications and therefore do not wish to state a preference.

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

The implementation of UNC modifications 0442/0442A would undermine the legitimate expectation of Code Parties that the defined processes outlined in UNC TPD section E and the AUGS/AUGS Guidelines would be followed as anticipated. This would further undermine the trust and confidence that Code Parties place in the governance framework which must at all cost, preserve its stability and reliability to enable business certainty. In addition implementation of these modifications would undermine the independence and authority of the AUGS and will not give sufficient time for I&C suppliers to implement contractual changes to ensure that cost allocations are accurately reflected in the terms and conditions to customers (which is particularly important given the potential for such a significant increase in cost allocation to I&C suppliers).

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

No

Relevant Objectives:

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

0442/0442A would negatively impact relevant object (d) Securing of effective competition; by undermining the AUGE's decisions made through an established AUGE process which would be challenged through the modification process. As a result this would generate risk & uncertainty in the market having a damaging effect on effective competition.

Changing the established AUGE processes and timelines would not give adequate notice periods to implement such changes, adversely impacting relevant objective (f) Promotion of efficiency in the implementation and administration of the Code.

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?

We do not believe it is appropriate to implement either of the proposed modifications

Legal Text:

Are you satisfied that the legal text will deliver the intent of either 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