

Northern Gas Networks Limited

Registered in England & Wales No 5167070 Registered Office 1100 Century Way Colton Leeds LS15 8TU

Tel: 0113 397 5300

Bob Fletcher Joint Office of Gas Transporters Consort House 6 Homer Road Solihull B91 3QQ

27 January 2014

Dear Bob.

Re: UNC Modification Proposal 0461 - Changing the UNC Gas Day to Align with the Gas Day in EU Network Codes

Thank you for the opportunity to provide representation of the above noted Modification Proposal. Northern Gas Networks (NGN) supports this Modification Proposal. Please find below NGN's comments in respect of the Modification Proposal.

NGN supports this Modification proposal.

Summary of key reasons:

We're led to believe that implementation of this proposal would ensure compliance with the Capacity Allocation Mechanism (CAM) European network code.

There is still a question on the necessity to implement these changes to be compliant with the CAM code and what benefits they will bring to the wider industry. Notwithstanding these concerns we still support implementation of this proposal.

Modification Panel Members have indicated that it would be particularly helpful if the following question could be addressed in responses:

Q1: Please provide views on the time constraints of the process and effort required to implement this modification.

Work is still ongoing with regards identifying the full extent of system changes necessary to comply with this proposal should it be implemented. It is clear, however, that the timescales involved are tight but necessary and would be aided by a swift direction from the Authority.

Additional or new issues:

NA

Self Governance Statement:

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

NA



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Relevant Objectives:

How would implementation of this modification impact the relevant objectives?

| Condition | Description | NGN View |
|-----------|--|--|
| A11.1(a) | Efficient and economic operation of the pipe- line system | |
| A11.1(b) | Efficient and economic operation of the combined pipe-line systems | |
| A11.1(c) | Efficient discharge of the licensee's obligations | |
| A11.1(d) | Securing effective competition: i) Between shippers ii) Between suppliers iii) Between DN operators and shippers | |
| A11.1(e) | Provision of economic incentives for security of supply to domestic customers | |
| A11.1(f) | Promote efficiency in the implementation and administration of the UNC | |
| A11.1(g) | Compliance with the Regulation and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-Operation of Energy Regulators | NGN agree with the Workgroup Report that states implementation of this proposal would further this Relevant Objective. |

Impact and costs:

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

NGN would face material costs if this proposal is directed for implementation. There are a number of systems both centrally and within the GDNs that will require changing as a result of this proposal.

As stated above, work is still ongoing with regards identifying the full extent of system changes necessary to comply with this proposal should it be implemented.

Implementation:

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

NGN are supportive of the timescales outlined in the proposal and would like to see a quick direction from the Authority to allow the necessary system changes to be made in good time.

Legal Text:

Are you satisfied that the legal text will deliver the intent of the modification?

Yes.

Any further information:



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NA

I hope these comments will be of assistance and please contact me should you require any further information in respect of this response.

Yours sincerely,

Joanna Ferguson

Network Code Manager