

Joint Office

[Enquiries@gasgovernance.co.uk](mailto:Enquiries@gasgovernance.co.uk)

9 October 2019

Dear Sir or Madam,

**Re: 0695S Obligations on Shippers to pass Transporter compensation payments on to consumers, via Suppliers**

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

**NGN supports this Modification Proposal.**

**Reason for support/opposition**

Please summarise (in one paragraph) the key reason(s).

We support this modification as the introduction of a 10 Business Day window for Shippers regarding the pass through of consumer compensation, both statutory and non-statutory, formalises what we believe already occurs in most instances where a consumer compensation payment is triggered by the Gas Transporter. The codifying of this should provide additional certainty for end consumers whenever they are entitled to compensation originating from a Gas Transporter.

This Modification Proposal furthers Relevant Objectives c) *efficient discharge of the licensee's obligations* as it enhances Gas Transporter Standard Licence Condition 20: 'Payments in Relation to Standards of Performance' which facilitates passing of payments through the supply chain.

**Self-Governance Statement**

Please provide your views on the self-governance statement.

This modification should follow Self-Governance procedures as it is providing additional clarity on existing obligations, using existing mechanisms. This clarity does not have a material impact on Uniform Network Code (UNC) parties or gas consumers.

**Implementation**

What lead-time do you wish to see prior to implementation and why?

This modification could be implemented within 16 Business Days of being approved.

**Impacts and Costs**

What analysis, development and ongoing costs would you face?

None identified.

**Smell gas?**

Call the National Gas Emergency  
Service on 0800 111 999

## Legal Text

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

We believe that the legal text provided should deliver the Solution set out in the modification.

## Are there any errors or omissions in this Modification Report that you think should be taken into account?

Include details of any impacts/costs to your organisation that are directly related to this.

None identified.

## Please provide below any additional analysis or information to support your representation.

There have been a number of large-scale incidents over the past two years, often caused by a third party damaging the GT pipeline. Following these incidents there have been many cases of consumers contacting Transporters advising they have not yet received their payment; this can be months after the Transporter payment has been made to the shipper. NGN has had first-hand experience of this situation and believes that this modification would aid in reducing, and hopefully removing any of these scenarios by making it clear to all parties the timeframes for payments to be passed on, allowing for an improved end consumer experience.

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,

Tracey Saunders (via email)  
Market Services Manager (Industry Codes)  
Mobile: 07580 215 743

### Smell gas?

Call the National Gas Emergency  
Service on 0800 111 999

 1100 Century Way  
Thorpe Park Business Park  
Colton, Leeds LS15 8TU

 0113 397 5300  
 [northerngasnetworks.co.uk](http://northerngasnetworks.co.uk)

**we are  
the network**