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UNC Modification Panel Secretary  
Joint Office of Gas Transporters  
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2<sup>nd</sup> September 2009

Dear John

### **Modification Proposal 260 – Revision of the Post–Emergency Claims Arrangements**

Thank you for the opportunity to respond to this consultation, and APX Commodities Ltd, as the OCM Market Operator, would like to provide comments in relation to the two areas of this modification proposal that directly impact us:

- Provision of *indicative* volume weighted average prices during the Gas Deficit Emergency.
- The provision of certain Physical Market Offer data.

#### Indicative volume weighted average prices

The APX trading system, EuroLight, already displays the volume weighted average price of all Physical Market Offers posted on to the market. Hence the requirement of this modification on the Market Operator to provide the indicative price is already met.

#### Provision of certain Physical Market Offer data

The proposed business rules, Appendix 4, section 3.1, require that APX provide National Grid NTS with details of *all* Physical Market Offers that were remaining on the Trading System at the close of the Gas Day. The APX market rules do allow for APX to disclose such information pursuant to an obligation under the UNC, therefore if this modification proposal is approved, APX would be able to provide the appropriate data to National Grid NTS.

To provide the relevant data by 7am on the following day will require some system development, with a lead time of two months.

However, we do have some concerns that the scope of the business rule is too broad in that it allows for details of *all* Physical Market Offers remaining on the Trading System at the close of the Gas Day, to be provided to National Grid, rather than those Offers that are related to a post-emergency claim.

A key principle of the APX market is that it is an anonymous market. Revealing member identity for orders that are not related to a post-emergency claim in our view is not required and may even discourage such offers from being posted on the market, at a time when they are needed most.

The modification proposal states that “Each Post Emergency Claim will relate to a single Physical Market Offer”. This being the case, APX suggests that, for each claim, only relevant data of the related (single) offer be made available to National Grid.

Furthermore, in order to provide additional comfort to our trading members, the request for the data to be provided to National Grid should come to APX from the User, and following receipt of such a request, APX would provide the relevant information to National Grid within two business days.

I hope that you find our comments useful, and if you have any queries with regards to this response, please do not hesitate to contact me.

Yours sincerely

Ian Moss  
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By e-mail.