

Representation - Draft Modification Report UNC 0730

COVID-19 Capacity Retention Process

Responses invited by: 5pm on 05 November 2020

To: enquiries@gasgovernance.co.uk

Please note submission of your representation confirms your consent for publication/circulation.

Representative:	Oorlagh Chapman
Organisation:	Centrica
Date of Representation:	5 th November 2020
Support or oppose implementation?	Oppose
Relevant Objective:	a) Negative d) None
Charging Relevant Objective:	c) Negative

Reason for support/opposition: Please summarise (in one paragraph) the key reason(s)

This Modification allows for 100% retention of capacity resulting in other Users being unable to utilise capacity as it is retained by the registered Shipper, yet only having paid 50% of the capacity charge. The unused capacity will not be available to the gas distribution network to re-allocate. This would be uneconomic and inefficient, especially as it would result in other Users being unable to utilise that spare/unused capacity.

While we are sympathetic to all customers that have been impacted by Covid-19 we believe that any relief from existing obligations should be appropriately applied, in a way that is fair to other network users and would not simply redistribute potential financial distress to other parts of the supply chain or their customers.

There is additional complexity in this proposal, as it was confirmed in the workgroup report that only sites isolated through modification 0723 would be subject to the 50% capacity charge and isolations could not be applied retrospectively, however currently the CDSP relies on being able to identify sites isolated under 0723U, and as noted in other responses there is currently no way for the CDSP's systems to identify whether a site that is isolated has done so against either the 0723U legal text or standard UNC.

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

No specific lead time would be required

Impacts and Costs: *What analysis, development and ongoing costs would you face?*

Not yet known

Legal Text: *Are you satisfied that the legal text will deliver the intent of the Solution?*

No comment

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.*

No comment

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

No comment