

## Representation

### Draft Modification Report

#### 0471S - Amending the start time that a Day-ahead Market Offer can be accepted

**Consultation close out date:** 27 January 2014  
**Respond to:** enquiries@gasgovernance.co.uk  
**Organisation:** E.ON UK  
**Representative:** Richard Fairholme  
**Date of Representation:** 24 January 2014

#### Do you support or oppose implementation?

Support

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

We support the implementation of this Modification Proposal as it should enhance the ability of parties to trade in the gas market, to better support forthcoming auctions in the power market. The OCM market currently opens at 12:00 on D-1 for day D whereas the Power auction for D runs before that. Without this Mod, generators may be unable to properly hedge their gas exposure particularly on non-working days. We note that some counterparties have stated that the lack of a "Day-Ahead Gas Price" on non-working days is a barrier to liquidity for the power market, in terms of their ability to trade out spark-related products on the auction. We support this Mod as it will provide a mechanism for people to provide that day-ahead gas price.

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

No.

#### Self Governance Statement:

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

Yes.

#### Relevant Objectives:

*How would implementation of this modification impact the relevant objectives?*

Although the main benefit of this Mod will be seen in the power market, we believe that this proposal will enhance competition between gas Shippers (and Traders) by enhancing the ability of parties to trade on the OCM with more efficient trades, to better support the new day ahead auctions in the Power market.

0471S  
Representation  
19 December 2014

Version 1.0

Page 1 of 2

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**Impacts and Costs:**

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

None expected.

**Implementation:**

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

As soon as reasonably practicable, noting that the day ahead power auctions are due to be introduced in February 2014.

**Legal Text:**

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

Yes.

**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.