

Representation - Draft Modification Report 0563S

Moving the NTS Optional Commodity Charge Formula into the UNC

Responses invited by: **15 January 2016**

To: enquiries@gasgovernance.co.uk

Representative:	Richard Fairholme
Organisation:	Uniper
Date of Representation:	14 January 2016
Support or oppose implementation?	Support
Relevant Objective:	b) Positive e) Positive

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

We fully support this Modification Proposal, which is simply lifting the existing Optional Commodity (“Shorthaul”) formula from NGG’s Transportation Charging Statement and placing it under the formal governance of the UNC. We believe this is fully consistent with principles of good governance and transparency. It is also consistent with Ofgem’s previous recommendations (and implementation of several Mods) of bringing gas transportation charging under the governance of the UNC. As Ofgem noted in its decision letter on UNC Mod 0322V (and which we believe supports the case for implementation of this Mod): *“We consider that introducing the Charging Methodologies into the UNC opens up an equal ability for all code parties and MAPs to raise modification proposals to the Charging Methodologies. This may facilitate changes being proposed that could encourage or facilitate competition”*.

Self-Governance Statement: Please provide your views on the self-governance statement.

As no changes to the existing formula are proposed and this is merely an administrative change, we believe that this proposal continues to merit self-governance.

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

As soon as possible.

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

None.

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

Yes.

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.

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