

## 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](mailto:enquiries@gasgovernance.co.uk)

<b>Representative:</b>	Gerry Hoggan
<b>Organisation:</b>	Scottish Power
<b>Date of Representation:</b>	15 January 2016
<b>Support or oppose implementation?</b>	Support
<b>Relevant Objective:</b>	b) Positive e) Positive

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

Scottish Power believes that it is a fundamental principle of robust trading arrangements that they should be subject to appropriate and open governance. This is not the case as regards the Optional Commodity Charge Formula, changes to which can be initiated and implemented by National Grid entirely unilaterally and without stakeholder input or regulatory oversight. Having this formula subject to UNC governance arrangements will ensure that this flaw is remedied and that going forward any proposed change is subject to appropriate scrutiny and development by stakeholders. Furthermore it will ensure that there is a measure of regulatory endorsement from Ofgem.

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

No change is being made to the substantive impact or workings of the NTS Optional Commodity Charge or related formula. The only change being effected is to ensure that those are subject to appropriate governance. As such the change is unlikely to have a material impact as defined within the self-governance criteria and nor is it likely to discriminate between different classes of party to the UNC.

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

As soon as possible following the Panel decision

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

None as implementation of this change would merely makes the current arrangements subject to appropriate governance. As such no substantive change is involved

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

Yes we are comfortable that the proposed legal text will deliver the intent of the proposal

**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.*

We have not identified any such errors or omissions

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

Not applicable