

## 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>	Amrik Bal
<b>Organisation:</b>	Shell Energy Europe Ltd (SEEL)
<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: Please summarise (in one paragraph) the key reason(s)

At present National Grid apparently has complete freedom to amend the NTS Optional Commodity Charge (OCC) as it deems appropriate. Therefore, shippers and Ofgem have no formal recourse to challenge any changes to the formula, regardless of their impact. Such a situation is unhelpful as it can lead to uncertainty, as well as damaging and arbitrary tariff volatility. However, moving the OCC formula into the UNC will help rectify this problem by ensuring that in terms of robustness, transparency and regulatory oversight, any future revision to or amendment of the formula is brought into line with other transmission charges.

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

As it only a case of moving the formula into the UNC, we do not believe there should be any material impacts on customers. On that basis we believe that self-governance is appropriate.

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

We propose implementation as early as practical.

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

As there are no changes proposed to the existing charging formula, we do not believe there are any additional impacts or costs.

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

We believe that the legal text is appropriate to 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.*

None identified

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

Not applicable