Joint Office of Gas Transporters

Representation - Draft Modification Report UNC 0686

Removal of the NTS Optional Commodity Rate with adequate notice

Responses invited by: 5pm on 07 June 2019

To: enquiries@gasgovernance.co.uk

Representative:	James Jackson
Organisation:	Sembcorp
Date of Representation:	07 June 2019
Support or oppose implementation?	Oppose
Relevant Objective:	**c)** None **d)** Negative **g)** None
Relevant Charging Methodology Objective:	**a)** None **b)** None **c)** None **e)** None

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

Sembcorp does not support a disjointed approach to reform of the transmission charging arrangements and believe that the OCC should be considered in the context of the wider charging landscape, particularly when the range of reform currently being progressed is brought into consideration. We also do does not believe this modification, via the removal of the OCC, would enable compliance with the EU TAR code (and regardless, this has already been widely discussed in UNC678). Given that this is a key point of justification for the modification, we opposed its implementation.

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

We do not support implementation.

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

As a user of the OCC, we would expect to face cost increases, particularly if the current arrangements were to be curtailed at short notice. We would ask that Ofgem conducts

and impact assessment to better understand the impacts and costs, as we saw with UNC mod 0636.

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.*

Insert Text Here

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

Insert Text Here