

Representation - Draft Modification Report UNC 0848S

Alignment of Entry and Exit Capacity Constraint Management Provisions

Responses invited by: 5pm on 11 September 2023

To: enquiries@gasgovernance.co.uk

Please note submission of your representation confirms your consent for publication/circulation.

Representative:	Lauren Jauss
Organisation:	RWE Supply & Trading GmbH
Date of Representation:	11 September 2023
Support or oppose implementation?	Oppose
Relevant Objective:	a) Negative c) Negative d) Negative
Relevant Charging Methodology Objective:	Not Applicable

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

We are not entirely familiar with the SMPS (which is an issue in itself), but as we understand it, the SMPS is a statement written by NGG for approval by Ofgem and we have recently realised that it currently contains material statements about decisions NGG has taken towards system management. In practice, it appears to circumvent the UNC so that there is no process that allows for or requires any input or comment by industry stakeholders to the SMPS. Many of the system management principles described in the document appear to be not principles, but views that should require cost benefit analysis and/or a detailed understanding of the impacts on Users and their use of the system. Therefore, we do not think it is appropriate that the SMPS content and process be automatically adopted for Exit, but rather that the principles should be carefully considered as part of the UNC change process and adopted each on their own merit. We think some of the principles in the SMPS, when considered for Exit, probably promote more inefficient operation of the system and therefore, if anything, reduce competition. Therefore, under the current SMPS process, we do not think NGG is fulfilling its obligation in the licence to develop and maintain an efficient and economic pipeline system for conveying gas, and that this modification would result in the opposite in fact.

We would also highlight that unlike the UNC, the SMPS is currently very difficult to locate online and is therefore not as readily available and transparent as UNC documentation.

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

This modification proposes a significant and material change to the governance process and on this basis we do not agree that it should be self-governance.

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

N/A

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?*

Not reviewed

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 comment

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

We do not have any further material to provide.