Representation - Draft Modification Report UNC 0831 0831A

0831 – Allocation of LDZ UIG to Shippers Based on a Straight Throughput Method

0831A - Allocation of LDZ UIG to Shippers (Class 2, 3 and 4) Based on a Straight Throughput Method

Responses invited by: 5pm on 19 October 2023

To: enquiries@gasgovernance.co.uk

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

| Representative: | Louise Hellyer |
|--|--|
| Organisation: | TotalEnergies Gas & Power |
| Date of Representation: | |
| Support or oppose implementation? | 0831 - Comments 0831A - Qualified Support |
| Alternate preference: | If either 0831 or 0831A were to be implemented, which would be your preference? 0831A |
| Relevant Objective: | d) Positive f) Positive |
| Relevant Charging Methodology Objective: | Not Applicable |

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

In principal these Modifications would help make UIG a little more understandable for end Customers, which is a good thing. The current table of factors and how this is applied is incredibly difficult for them to understand. These Modifications will not reduce the amount of UIG, just share it out differently, which therefore creates winners and losers in terms of cost.

We are concerned with a flat rate put onto all sites, including SPC1 sites (831) who are very high consuming sites, would skew costs considerably towards high consuming sites. This would create very extreme costs for some sites in the UK. We would highlight that all evidence supports that SPC1 sites are those who least contribute to UIG. They

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have historically always been given a very small share of UIG if any at all. Therefore, due to the issues with putting a flat UIG on SPC1 sites we support 831A over 831.

831A feels like a balanced step in the right direction on a very difficult topic.

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

We will work with implantation lines agreed

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

No significant costs identified

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

Not reviewed

Modification Panel Members have requested that the following questions are addressed:

Q1: Do you have views on the effect of these two alternatives on end consumers?

We are concerned with the scale of costs that could apply to some sites under 831, those who are SPC1. Generally we are aware of winners and losers but view this to be a reasonably fair approach in 831A, it should help a little in customer understanding on how this charge works. It does not remove all issues and does not make this a fully transparent cost which customers would prefer.

Q2: Is the process in electricity comparable? (please explain)

Insert Text Here

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

Nothing to add