

## Representation - Draft Modification Report 0565 0565A 0565B

### Central Data Service Provider: General framework and obligations

Responses invited by: **5pm 08 December 2016**

To: [enquiries@gasgovernance.co.uk](mailto:enquiries@gasgovernance.co.uk)

<b>Representative:</b>	Charles Ruffell
<b>Organisation:</b>	RWE Supply & Trading GmbH
<b>Date of Representation:</b>	8 <sup>th</sup> December 2016
<b>Support or oppose implementation?</b>	<p>0565 - Comments</p> <p>0565A - Comments</p> <p>0565B - Comments</p>
<b>Alternate preference:</b>	<p><i>If either 0565, 0565A or 0565B were to be implemented, which would be your preference?</i></p> <p>0565A – we agree with the Proposer that the committee constitutions contained in this variant better reflect the cooperative governance model envisioned under FGO.</p>
<b>Relevant Objective:</b>	<p><b>c)</b> Positive - implementation of any of the Modification proposals will enable the Licensee to comply with the proposed Licence Conditions that will oblige the GTs to establish the FGO arrangements.</p> <p><b>d</b> None – provision of and payment for central services should not confer competitive advantage either to individual CDSP Users or to classes of CDSP User. Greater transparency around the costs of services and an improved charging methodology should deliver benefits to all classes of CDSP User.</p> <p><b>f)</b> Negative – although we will have a relatively low level of interaction with CDSP (mainly invoicing and management of end-user information) it unclear to us whether the putative benefits of the FGO programme will be outweighed by the costs to the industry as a whole of developing the framework and the ongoing costs associated with the additional and more complex governance and contractual arrangements.</p>

*Please note that due to the number of documents required the 'Supporting Business Documentation' page has been linked to the main modification page, which includes the legal drafting as follows:*

*CDSP/DSC Draft for Consultation: <http://www.gasgovernance.co.uk/0565/DSC> (CDSP and DSC documents)*

*UNC Draft for Consultation: <http://www.gasgovernance.co.uk/0565/UNCdrafting> (UNC Legal Text)*

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

We believe that any of the Modifications will deliver the FGO arrangements, although we remain to be convinced about the efficacy of those arrangements. The only difference between the Modifications is variation of Transporter representation on the Change and Contract committees. In our view, 0565A better reflects the ethos of a cooperative governance model. Shipper representation is constituency-based and the constituencies are a proxy for the diversity of Shipper organisations. It does not seem unreasonable for a similar approach for the GTs, particularly as attendees will be representing a constituency rather than individual companies.

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

We agree that these Modifications do not meet the self-governance criteria.

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

Implementation should only proceed once the Charging Statement has been approved and invoicing processes have been demonstrated successfully.

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

Additional costs in processing the CDSP invoices and providing credit.

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

Yes.

**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.**

A quantitative Impact Assessment would have informed responses to the Modifications and especially in relation to any positive impact against Relevant Objectives other than (c). The Draft Modification Report recognises that there are a number of documents outstanding e.g. Trader User contract and statutory Licence Consultation decision. There are also Guidance Documents for Invoicing & Credit, Ordering Services and the UK Link User Agreement scheduled for publication after the UNC consultation closes. Our preference would have been to see the entire suite of documents before commenting on the Modifications.

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

None.