Representation For. 0046

"Extension of the Sunset Clauses for Registration of Capacity at NTS Exit Points" Version 1.0

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Slant: For **Strictly Confidential:** No

Abstract

The Chemical Industries Association welcomes the opportunity to respond to this proposal and would like to take this opportunity to fully support its implementation, and hope that this simple process could be developed into the enduring offtake regime. We would prefer the drafting in the Uniform Network Code avoid sunset clauses, as we believe that the inclusion of these clauses merely forces Transco to reassess the relevant parts of the Uniform Network Code when the current provisions may be adequate. This creates additional workload for Transco, market participants and the Authority. In particular, CIA believes that extending the current arrangements for Firm Capacity Allocations and the NTS Offtake Capacity Registration Process will:

- allow Transco to continue to take informed investment decisions that will ensure the economic and efficient operation of the National Transmission System (NTS) pipeline system;
- enable Transco NTS and Distribution Network Operators (DNOs) Users to formally confirm NTS/Local Distribution Zone (LDZ) Offtake Capacity levels which will facilitate the co-ordinated, efficient and economic operation of the combined pipeline system; and
- benefit security of supply by ensuring DNO Users are able to request NTS Offtake Capacity requirements beyond September 2008, which will aid Transco's investment planning decisions, and help to ensure adequate capacity is available into the future.