

Representation For. 0088

"Extension of DM service to enable Consumer Demand Side Management"

Version 1.0

Date of Communication: 29/06/2006
External Contact: Andrew Mackenzie(Ineos Chlor Limited)
Slant: For
Strictly Confidential: No

Abstract

CODE MODIFICATION PROPOSAL No. 0088 - "Extension of DM Service to enable Consumer Demand Side Management"

I refer to the above proposal by Total Gas and Power. INEOS Chlor welcomes the opportunity to comment on this proposal.

The Need for Demand Response

As a large industrial consumer, we do not wish to have to undertake "Demand Response". Demand Response is in effect "demand destruction", which over the last winter was no doubt a mixture of temporary and permanent demand loss as consumers were unable to operate economically. We are concerned at the priority given to Demand Response (in for example the Winter Outlook Consultation) suggesting it is seen as a primary supply/demand balancing tool. It is apparent industrial consumers are paying the price of providing gas supply security.

Do we support the modification proposal?

Having put our comments in the above context, we believe that if Demand Response is needed then it is essential that arrangements are in place which ensure this is delivered in the most efficient way. To enable this it is essential that as many consumers as possible are able to provide response to increase the efficiency of such response.

We consider this modification is an attempt to develop such arrangements by enabling an additional group of customers to provide a response service that are otherwise excluded. We therefore support this proposal.

I trust these comments are helpful.

Please feel free to call me if you would like to discuss any of these points.

With very best regards

Andrew Mackenzie
Gas and Water Purchasing Manager
Office 01928 517660
Mobile 07762 335475