

Representation

Draft Modification Report

0367 - Interruptible to Firm - Supply Point Transition

Consultation close out date: 19 May 2011

Respond to: enquiries@gasgovernance.co.uk

Organisation: Corona Energy

Representative: Richard Street

Date of Representation: 19 May 2011

Do you support or oppose implementation?

Supports

Please summarise the key reason(s) for your support/opposition.

Corona Energy (CE) supports the implementation of this modification. CE opposed the implementation of Modification 0090 as it removed large number of interruptible customers from the network, removing the protection these sites offered in a gas deficit emergency. CE shares customers concerns that these changes may have increased the likelihood of firm load shedding.

While CE is still of the opinion that there are deficiencies in the interruption regime that will apply from October 2011, it notes that Ofgem is seeking to address many of these issues in their current SCR process. These concerns notwithstanding, we believe that, to provide certainty to the industry, the modification should be fully implemented if directed.

To allow systems changes to occur, Corona Energy understands that it may be necessary to temporarily alter or suspend certain industry processes. Owing to the lack of transparency around the central systems, we are unable to verify in this case whether this restriction is actually required, but would expect that Ofgem will thoroughly examine the rationale behind the change prior to any decision. CE is confident that Ofgem will direct this change if it is satisfied it is the most appropriate solution.

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It should be noted that this modification, whilst not resulting in any additional User Pays charges, will result in an additional administrative costs for Corona Energy. CE is willing, in this instance, to incur such costs even though they will arise as a result of Transporters fulfilling their obligations. CE notes that in similar situations where modifications have been raised to fulfil Shippers obligations, some Transporters have been reluctant to absorb even low levels of costs. CE hopes that the flexibility it is demonstrating on this issue will be reciprocated by the Transporters when required by the Shipper community.

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