

## Representation - Draft Modification Report

UNC 0636 0636A 0636B 0636C 0636D

### Updating the parameters for the NTS Optional Commodity Charge

Responses invited by: **5pm on 14 June 2018**

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

<b>Representative:</b>	Dan Fittock
<b>Organisation:</b>	Corona Energy
<b>Date of Representation:</b>	13 June 2018
<b>Support or oppose implementation?</b>	0636 – Oppose 0636A - Oppose 0363B - Oppose 0636C - Support 0636D - Oppose
<b>Expression of preference:</b>	<i>If either 0636, 0636A, 0636B, 0636C or 0636D were to be implemented, which would be your preference?</i>  0636C
<b>Relevant Objectives:</b>	0636: <b>g)</b> Negative  0636A: <b>g)</b> Negative  0636B: <b>g)</b> Negative  0636C: <b>g)</b> Positive  0636D: <b>g)</b> Negative

<b>Relevant Charging Methodology Objectives:</b>	<p>0636:  <b>a)</b> Positive  <b>b)</b> Negative  <b>c)</b> Positive  <b>e)</b> Negative</p> <p>0636A:  <b>a)</b> Positive  <b>b)</b> Negative  <b>c)</b> Positive  <b>e)</b> Negative</p> <p>0636B:  <b>a)</b> Positive  <b>b)</b> Negative  <b>c)</b> Positive  <b>e)</b> Negative</p> <p>0636C:  <b>a)</b> Positive  <b>b)</b> Positive  <b>c)</b> Positive  <b>e)</b> Positive</p> <p>0636D:  <b>a)</b> Positive  <b>b)</b> Negative  <b>c)</b> Positive  <b>e)</b> Positive</p>
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**Reason for support/opposition/preference: Please summarise (in one paragraph) the key reason(s)**

We understand that the principle of the NTS Optional Commodity Charge allows Shippers an alternative charging option to the NTS and allows Shippers to make commercial decisions to facilitate a competitive market.

**0636:**

From a cost saving point of view we support 0636 over the alternatives as it reduces the cross-subsidy over non-OCC users considerably, however it is our opinion that the chosen solution should be the enduring solution and which should be TAR NC compliant.

**0636A**

We do not support 0636A as it is our opinion that the chosen solution should be the enduring solution and which should be TAR NC compliant.

**0636B**

We do not support 0636B as it is our opinion that the chosen solution should be the enduring solution and which should be TAR NC compliant.

## 0636C

We support 0636C as this solution reduces the cross-subsidy over non-OCC users from approx. £150m to approx. £105m based on the National Grid NTS impact assessment, while ensuring that the solution is enduring and TAR NC compliant.

## 0636D

We support 0636C over 0636D due to 0636C reducing the cross-subsidy to a greater extent than 0636D.

**Implementation:** *What lead-time do you wish to see prior to implementation and why? Please specify which Modification any issues relate to.*

Implementation should be as soon as possible on the basis of the cost savings to non-OCC users.

**Impacts and Costs:** *What analysis, development and ongoing costs would you face? Please specify which Modification any issues relate to.*

Corona Energy will face negligible implementation costs and impacts.

**Legal Text:** *Are you satisfied that the legal text will deliver the intent of the Solution? Please specify which Modification any issues relate to.*

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.*

No

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

N/A