

# **Gas Market Operator arrangements**

UNC 555R Workgroup





# **Ofgem letter to NGG**

### What did we write?

June letter to NG, encouraging them to explore gas market operator arrangements

## Why do we think this should be looked at?

- Implications of launch of platforms offering comparable product to 'title' element of OCM provision
- Want to better understand whether there is potential for further competition in provision of gas market operator arrangements
- Prudent to look at arrangements to ensure remain fit for purpose

### • Why now?

- Launch of another platform makes now a good time to look at this
- Prudent to look at this even though market is functioning well time to consider issues and options.



# **Our expectations**

## What outputs are we anticipating?

- Expect workgroup to carry out thorough assessment of issue
- Key is evidence base need to assess status quo and options
- Want to be assured that whatever course of action taken forward is the right one for the market – industry views are vital

### What is this not?

- A reflection on how current arrangements have worked to date
- No prejudged solutions, and no steer on direction options should take – crucial thing is a thorough assessment of relative merits and costs of approaches (including status quo)

## We're always open to views

 Please get in touch if there are issues you want to discuss: <a href="mailto:thomas.farmer@ofgem.gov.uk">thomas.farmer@ofgem.gov.uk</a>



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