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Representation

Draft Modification Report

Modification 0410 0410A: Responsibility for gas off-taken at Unregistered Sites following New Network Connections

Consultation Close out date: **7th June 2013**

Respond to: enquiries@gasgovernance.co.uk

Organisation: Gazprom Marketing & Trading Retail (GMT&R)
Trading as Gazprom Energy

Representative: Steve Mulinganie
Regulation & Compliance Manager

Date of Representation: **7th June 2013**

Do you support or oppose implementation?

0410 - SUPPORT IMPLEMENTATION

0410A – SUPPORT IMPLEMENTATION

If either 0410 or 0410A were to be implemented, which would be your preference?

We believe both modifications can be implemented as in their final state they are no longer alternative modifications

If either 0410 or 0410A or both were to be implemented, which would be your preference?

As noted above we do not consider the proposals to be alternative modifications so consider that both can be implemented

Please summarise (in one paragraph) the key reason(s) for your support/opposition

We support BOTH modifications as they set out to reduce the number of Unregistered Sites by placing obligations on the relevant party that requests the creation of the MPRN.

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By placing an obligation on the party who requests the creation of the MPRN we will incentivise the requesting party to consider putting in place appropriate safeguards in order to limit their ultimate exposure to potential charges.

In this context it is important to note that the modifications only create obligations on those parties who choose to create MPRN's and who should therefore be in a position to limit their risk through appropriate mechanism's e.g. supply agreements, site works contracts, developer contracts etc.

Modification Panel Members have indicated that it would be particularly helpful if the following question could be addressed in responses:

Q1: Do you believe that both Modifications could be implemented, such that both the 0410 and 0410A requirements are introduced to the UNC?

Yes as previously noted we believe that the modifications have developed to an extent were they are no longer alternatives. Modification 0410 introduces the ability to recover, from the relevant party who requested the creation of the MPRN, compensation for gas used by MPRN's which are not registered. Whereas Modification 0410A provides a process for indentifying such sites

Are there any new or additional issues that you believe should be recorded in the Modification Report?

It may be prudent to re-examine the modification process to avoid future confusion over Alternative Modifications

Relevant Objectives:

(How would implementation of this modification impact the relevant objectives)?

Both Modifications seek to reduce the number of new Unregistered Sites & will therefore jointly have a positive impact on Unregistered Sites

Impacts and Costs:

What analysis, development and ongoing costs would you face if either of these modifications were implemented?

Modification 0410 & 0410A will not have a significant impact on our processes

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Implementation:

What lead-time would you wish to see prior to this modification being implemented, and why?

Both proposals should be implemented as soon as reasonably practicable however their implementation may impact parties differently depending on their current approach to managing the MPRN creation process so it would seem prudent to allow sufficient time to accommodate any change required. We note the proposed timetable set out in the modification report and that implementation in 2013 is no longer considered achievable.

Legal Text:

Are you satisfied that the suggested legal text and the proposed ACS (see www.gasgovernance.co.uk/proposedACS) will deliver the intent of the modification?

We have not reviewed the legal text or the ACS

Is there anything further you wish to be taken into account?

Please provide any additional comments, supporting analysis, or other information that you believe should be taken into account or you wish to emphasise.

No

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