

Representation

Draft Modification Report

0381 - Removal of the NTS Exit (Flat) Capacity "deemed application" process

Consultation close out date: 12 September 2011
Respond to: enquiries@gasgovernance.co.uk
Organisation: INEOS ChlorVinyls Limited
Representative: Andrew Mackenzie
Date of Representation: 14 September 2011

Do you support or oppose implementation?

Support/Qualified Support/Neutral/Not in Support/Comments* *delete as appropriate*

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

We consider that the deemed application process is an unnecessary punitive addition with adequate "disincentives" for users already being in place under the over-run regime. An additional measure beyond this would appear to be "belt and braces" but more importantly will result in National Grid providing unnecessary system reinforcement / capacity that is ultimately not required by the end consumer on a sustained basis. This will particularly impact large industrial consumers, e.g. chemicals plants, who may (rarely) see high demands due to process upsets, rather than generators, who will tend to run at maximum off take and decrease consumption in the event of upset. Taken to a logical conclusion National Grid NTS "capacity" will become equivalent to the aggregate of all consumers' highest ever demand – designed to cope with worst case independent events happening simultaneously – a "gold-plated" and less efficient network.

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

No comments to add.

Relevant Objectives:

How would implementation of this modification impact the relevant objectives?

This modification should ensure provision of network capacity in a more efficient way.

Impacts and Costs:

What analysis, development and ongoing costs would you face if this modification were implemented?

No comments.

Implementation:

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

This should be implemented prior to commencement of the Enduring Exist Capacity arrangements (i.e. 1st October 2012)

Legal Text:

Are you satisfied that the legal text will deliver the intent of the modification?

No comments.

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

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

No comments.