

Bob Fletcher
Joint Office of Gas Transporters
31 Homer Road
Solihull
B91 3LT

16 November 2011

Dear Bob,

Re: UNC Modification Proposal 0392 - Proposal to amend Annex A of the CSEP NExA table, by replacing the current version of the AQ table

Thank you for the opportunity to provide representation of the above noted Modification Proposal. Northern Gas Networks (NGN) supports this Modification Proposal. Please find below NGNs comments in respect of the Modification Proposal.

NGN supports this Modification proposal.

Summary of key reasons:

Under Annex A, Part 1 of the NExA, iGTs are required to undertake a review of AQ values for all Large and Small Supply Points. However any changes to the AQ values following a review do not change the iGT charging, which sets the basis for the CSEP NExA table.

Therefore there has been no change to the CSEP NExA table values since 2006. A review of the present AQ values was undertaken by the Review Group IGT030 and a revised AQ Table has been produced. This has been agreed upon by iGTs and Shippers and NGN are supportive of this outcome.

For clarification NGN believe the Modification Proposal should NOT change Annex G3 and should only change the CSEP NExA.

Additional or new issues:

N/A

Relevant Objectives:

How would implementation of this modification impact the relevant objectives?

Condition	Description	NGN View
A11.1(a)	Efficient and economic operation of the pipe-line system	
A11.1(b)	Efficient and economic operation of the combined pipe-line systems	
A11.1(c)	Efficient discharge of the licensee's obligations	
A11.1(d)	Securing effective	The increased accuracy of AQ

	competition: i) Between shippers ii) Between suppliers iii) Between DN operators and shippers	values will mean more accurate energy and transportation costs and therefore secure effective competition between Shippers.
A11.1(e)	Provision of economic incentives for security of supply to domestic customers	
A11.1(f)	Promote efficiency in the implementation and administration of the UNC	

Impact and costs:

N/A

Implementation:

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

No specific implementation timescale has been proposed.

Legal Text:

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

NGN are satisfied that the legal text will deliver the intent of the modification.

Any further information:

N/A

I hope these comments will be of assistance and please contact me should you require any further information in respect of this response.

Yours sincerely,

Joanna Ferguson
 Network Code Manager