

Representation

Draft Modification Report

0439: Notice for Enduring Annual Exit (Flat) Capacity Reduction Applications

Consultation close out date: 15 April 2013
Respond to: enquiries@gasgovernance.co.uk
Organisation: Scotland & Southern Gas Networks
Representative: Erika Melén
Date of Representation: 15 April 2013

Do you support or oppose implementation?

Support

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

SGN are in support of this modification as it looks to align the timescales for enduring exit capacity reductions following the implementation of UNC Modification 0417S. The arrangements as they stand could lead to users incurring undue additional charges due to the 14 month reduction rule. This could also mean that available capacity is not able to be released in a timely manner.

The modification and associated legal text are mainly focused on scenarios where the user commitment period has been satisfied after which time a reduction can be made. SGNs support is on the basis that the modification also removes the 14 month rule where no user commitment has been in place i.e. for the initial allocation of enduring capacity from October 2012.

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

No

Relevant Objectives:

How would implementation of this modification impact the relevant objectives?

We agree with the proposer that this modification better facilitates relevant objectives (d) and (g) as it allows Users to better manage their enduring exit capacity bookings and make reductions in a timely manner when required which in turn ensures that costs are allocated more accurately.

Impacts and Costs:

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

0439

Representation

15 April 2013

Version 1.0

Page 1 of 2

© 2013 all rights reserved

None

Implementation:

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

We wish to see this modification implemented prior to the July 2013 capacity reduction window

Legal Text:

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

We do feel that the legal text could have been clearer in specifying that this modification also applies to exit points where there has never been any user commitment but are satisfied that these scenarios are covered in the proposed changes to the ExCR.

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