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5th September 2018
Your Reference: UNC Modification Proposal 0666

UNC Urgent Modification Proposal 0666 - Establishment of a CSS Bid Group for CDSP central switching system bid activities

Dear Bob,

Thank you for your invitation seeking representations with respect to the above Modification Proposal which Cadent would like to offer qualified support.

Do you support or oppose implementation?

Qualified Support

Relevant Objective:

d) Positive

Reason for support/opposition:

We understand the reasons for the establishment of this workgroup under the DSC arrangements which in general we support. We note the drivers for the need for a workgroup and note that confidential issues are likely to be discussed between Xoserve and the bid funders, being Shipper Users. We have some disquiet with regard to some Data Services Contract (DSC) parties i.e. Gas Transporters being excluded from meetings albeit we are prepared to accept the situation on this occasion given its unique nature. In this respect the basis of our qualification is that these arrangements should not be viewed as setting any form of precedent given the underlying principles of the Xoserve Funding, Governance and Ownership (FGO) arrangements which are based on openness and co-operation between parties.

Implementation

We concur with the proposed implementation timescales.

Impacts and Costs

No impacts or costs have been identified.

Legal Text

We are satisfied that the Legal Text meets the intent of the solution.

Are there any errors or omissions in this Modification Report that you think should be taken into account?

We note that the scope of the Modification is restricted to creating a transitional Workgroup and in this respect we have not identified any errors or omissions.

Please provide below any additional analysis or information to support your representation

Cadent is supportive of Xoserve's CSS bid as we view this as an opportunity for the efficiency of the proposed CSS/OSP arrangements to be maximised. However, what is less clear is the extent to which activities associated with the CSS bid should be administered under CDSP arrangements. Given the short term nature and restricted scope of this modification, we are not unduly concerned at this point and we do see merit in following the DSC route for funding clarity in particular. However, we understand that further, more significant, related Modification Proposals may be forthcoming depending on progress on the bid. In this respect we believe this Modification should not be viewed as setting a template for further DSC related contractual arrangements pertaining to the CSS.

We trust that this information will assist in the compilation of the Final Modification Report. Please contact me on 07778 150668 (chris.warner@cadentgas.com) should you require any further information.

Yours sincerely,

Chris Warner
Industry Codes Manager, Regulation & External Affairs