

Joint Office

enquiries@gasgovernance.co.uk

31 July 2019

Dear Sir or Madam,

Re: 0698S – Improvements to Margins Notice Arrangements

Thank you for the opportunity to provide representation on the above noted Modification. Please find below Northern Gas Network's (NGN) comments in respect of this change.

NGN supports this Modification.

Reasons for Support/Opposition:

We support this modification as it should improve the clarity and timeliness of information to Total System Users regarding the gas demand and gas supply position, thus encouraging a more efficient market response.

Self-Governance Statement:

Please provide your views on the self-governance statement.

We agree that this modification should follow Self-Governance procedures as the changes proposed are incremental improvements. Whilst these are an improvement on current arrangements, they appear to be non-material under the self-governance criteria

Implementation:

What lead-time do you wish to see prior to implementation and why?

We agree that this modification could be implemented within 16 business days of being approved. We acknowledge that implementation before 1 Oct 2019 would allow the benefits to be realised in the upcoming winter period.

Impact and costs:

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

None identified.

Legal Text:

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

We believe that the legal text provided should deliver the solution set out in the modification.

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Service on 0800 111 999



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Thorpe Park Business Park
Colton, Leeds LS15 8TU



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Relevant Objectives:

How would implementation of this modification impact the relevant objectives?

We believe this modification furthers Relevant Objectives a) *Efficient and economic operation of the pipe-line system*, b) *Coordinated, efficient and economic operation of (i) the combined pipe-line system, and/or (ii) the pipe-line system of one or more other relevant gas transporters* and c) *Efficient discharge of the licensee's obligations*.

a & b) as it should provide clarity on the gas demand and gas supply position with the introduction of a new 'Early Warning' notice, and methodology for Liquefied Natural Gas (LNG) contribution to non-storage supply.

c) as it should enhance the information to Users regarding the Total System and encourage a more efficient market response.

Are there any errors or omissions in the Modification Report?

None identified.

Any additional analysis or comments?

None.

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,

Tracey Saunders (via email)
Market Services Manager (Industry Codes)
Mobile: 07580 215 743

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