

## Representation – Modification

### UNC 0728/A/B/C/D (Urgent)

#### Introduction of a Conditional Discount for Avoiding Inefficient Bypass of the NTS

0728	Introduction of a Conditional Discount for Avoiding Inefficient Bypass of the NTS
0728A	Introduction of Conditional Discounts for Avoiding Inefficient Bypass of the NTS
0728B	Introduction of Conditional Discount for Avoiding Inefficient Bypass of the NTS with 28km distance cap
0728C	Introduction of a Capacity Discount to Avoid Inefficient Bypass of the NTS
0728D	Introduction of Conditional Discounts for Avoiding Inefficient Bypass of the NTS

**Responses invited by: 5pm on 26 June 2020**

**To:** [enquiries@gasgovernance.co.uk](mailto:enquiries@gasgovernance.co.uk)

*Please note submission of your representation confirms your consent for publication/circulation.*

<b>Representative:</b>	Kamla Rhodes
<b>Organisation:</b>	ConocoPhillips (U.K.) Marketing and Trading Limited
<b>Date of Representation:</b>	26 June 2020
<b>Support or oppose implementation?</b>	<p>0728 - Support</p> <p>0728A - Support</p> <p>0728B - Support</p> <p>0728C – Support</p> <p>0728D – Support</p>
<b>Expression of preference:</b>	<p><i>If either 0728, 0728A, 0728B, 0728C or 0728D were to be implemented, which would be your preference?</i></p> <p>0728B</p>
<b>Relevant Objective:</b>	All mods Positive for all ROs

**Relevant Charging Methodology Objectives:**

All mods Positive for all ROs

**Reason for support/opposition: Please summarise (in one paragraph) the key reason(s)**

We support the implementation of a product that incentivises shippers to utilise the NTS. The loss of shippers through by-pass will result in a shrinkage to the charging base and a loss of contributions to the transmission charges, this will result in an increase in charges to the remaining users. The current short haul product plays an important role in the current market and we support the continuity of this flexibility with these amended proposals under the new charging regime.

**0728B**

We support this proposal for an increased distance cap at 28km and feel that this distance is very much a viable option for by-pass. In our own experience, we have built a pipeline that bypassed the NTS, from Theddlethorpe to Immingham, that was in excess of 40km.

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

The timetable as outlined in the mods should be followed with the implementation date of 1<sup>st</sup> October 2020 or as soon after as possible.

**Impacts and Costs:** *What analysis, development and ongoing costs would you face?*

None

**Legal Text:** *Are you satisfied that the legal text will deliver the intent of the Solution?*

We have not reviewed the legal text.

**Respondents are requested to provide views on the following points:**

*Q1: Respondents are requested to provide a view as to whether the solution provided within the Modification(s) is fully compliant with the relevant legislation (including, but not limited to, Articles 28-32 of the Tariff Network Code).*

We believe all the proposals are compliant, including Articles 28-32 of TAR NC.

*Q2: Respondents are requested to provide views on the proposed implementation date(s).*

Implementation should be as soon as possible and ideally in conjunction with 0678A for a 1<sup>st</sup> October 2020 effective date. We agree with Ofgem's conclusions that an optional charge should be considered holistically as part of the charging landscape, aligning the start dates forms part of this holistic approach and would avoid a fragmented implementation of the charging arrangements.

**Are there any errors or omissions in this Modification that you think should be taken into account?** *Include details of any impacts/costs to your organisation that are directly related to this.*

N/A

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