

Joint Office

enquiries@gasgovernance.co.uk

25 September 2020

Dear Sir or Madam,

Re: 0710 - CDSP provision of Class 1 read service

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

NGN supports this Modification Proposal.

Reason for support/opposition:

Please summarise (in one paragraph) the key reason(s)

We support this proposal as the change of the Class 1 read service provision to the shippers, via CDSP central procurement, will give the shippers more influence over this read service. This is more in line with how other read services are managed and Furthers Relevant Objective d) *Securing of effective competition (i) between relevant shippers and (ii) between relevant suppliers* as it could enable Shippers to shape the Class 1 read, which in turn may facilitate them being able offer unique services through the onward supply chain and to the end consumers.

We also believe it furthers Relevant Objective (f) *efficiency in administration of Code*; as it should result in a single common service across all networks and shippers.

We confirm that we support the view of both workgroup and panel that this modification proposal meets the self-governance criteria, due to this being a transfer of existing service rather than introduction of a new service.

Implementation:

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

This proposal once approved, requires novation of existing contracts, and work by the CDSP to effectively set up the management of the service. Therefore, we agree with the suggested implementation of Summer 2021.

Impacts and Costs:

What analysis, development and ongoing costs would you face?

Whilst NGN will need to novate existing contracts, we do not feel that the cost of this to our organisation will be material.

Legal Text:

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

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We believe the legal text provided should deliver the Solution set out in the modification and acknowledge that it has been discussed and developed at a number of workgroups.

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

Include details of any impacts/costs to your organisation that are directly related to this.

None identified.

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

This modification proposal seeks to offer an ongoing service using the collective bargaining power of the shippers. Due to the decline of Class 1 sites, it is no longer feasible for any network or shipper to procure the service on an individual basis due to the low volume of sites at these levels, giving weight to the argument for a centrally procured service. This will also allow the Shippers to shape the service and monitor it, which, as the parties with direct relationships with the Class 1 sites, should allow for a smoother more efficient install and maintenance of the Class 1 read equipment.

We would kindly ask for it to be noted, that the Transporters need to be consulted when any new contract is being procured to ensure that the data feed frequency and method of delivery to Transporters meets, at a minimum, the current levels of service.

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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