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11<sup>th</sup> January 2021  
Your Reference: UNC Modification Proposal 0730V

UNC Modification Proposal 0730V - COVID-19 Capacity Retention Process

Dear Bob,

Thank you for your invitation seeking representations with respect to the above Modification Proposal which Cadent does not support.

**Do you support or oppose implementation?**

Oppose

**Relevant Objective:**

- a) Neutral
- d) Negative

**Reason for support/opposition:**

The modification, if implemented, would provide for a 50% rebate of Capacity Charges to Shippers for those Supply Points which have been isolated in accordance with Modification 0723.

In our previous 0730 representation we raised concerns that we would not necessarily be able to discern or validate which Supply Points Shippers were actually entitled to include within the arrangements. This has been mitigated to an extent by a business rule which includes the requirement for a Shipper warrant. Our concerns around the correct use of the warrant though remain.

Our other concern regarding the retention of full capacity along with a 50% reduction in charges which would need to be socialised to the generality of Shippers, being negative to Relevant Objective D, still stands and has not been addressed within 0730V.

We also note that another Cadent concern regarding the inherent weakness within the modification to actually ensure that any Capacity Charge rebate is passed in full to the relevant supplier and ultimately to the end user, has also not been addressed.

## **Implementation**

To be inline with the CDSP having the required processes in place.

## **Impacts and Costs**

Our previous comment in our 0730 representation still stands in that it is difficult to assess the impact or cost to Cadent given the difficulties in understanding or forecasting which Supply Points may be eligible for a 50% rebate, especially given the latest national lockdown position.

## **Legal Text**

We are satisfied that the legal text meets the intent of the modification.

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

We have not identified any errors or omissions.

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

Nothing further to add.

We trust that this information will assist in the compilation of the Final Modification Report. Please contact me on 07884 113385 ([andy.clasper@cadentgas.com](mailto:andy.clasper@cadentgas.com)) should you require any further information.

Yours sincerely,

Andy Clasper