

Representation - Draft Modification Report UNC 0751

Capping price increases for Long-Term Entry Capacity

Responses invited by: 5pm on 11 June 2021

To: enquiries@gasgovernance.co.uk

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

Representative:	Henk Kreuze
Organisation:	Vermilion Energy Ireland Limited
Date of Representation:	10 June 2021
Support or oppose implementation?	Oppose
Relevant Objective:	<p>c) Negative</p> <p>d) Negative</p> <p>g) Negative</p>
Relevant Charging Methodology Objective:	<p>c) Negative</p> <p>e) Negative</p>

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

Implementation of the modification would lead to the a situation in which in the same delivery period shippers pay different tariffs for the same product. To our opinion “same product, same tariff” should apply. Although we do not support the current arrangements in the German market, at least these German arrangements foster the concept “same product, same tariff”, as shippers can choose between paying the respective actual (floating) tariff, or otherwise hand back the capacity (so: no product, no tariff payment).

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

No comment, as we do not support implementation.

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

No comments.

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

No comments.

Modification Panel Members have requested that the following questions are addressed:

Q1: Provide views on whether this Modification is suitable for Self-Governance procedures.

This mod would lead to different tariffs for the same product, so not suitable for Self-Governance procedures.

Q2: Provide views on whether there are any compliance issues associated with this Modification.

Implementation of the modification would lead to the a situation in which in the same delivery period shippers pay different tariffs for the same product. To our opinion “same service, same tariff” should apply.

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.*

No further comments in addition to the ones made above.

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

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