

iGT UNC / iGT INC Consultation Response

Date	26 th March 2014
Reference	IGT060
Title	Amendment to AQ Values Present Within the CSEP NExA AQ Table Following the 2013 AQ Review.
Respondee	Kiran Samra - RWE Npower
Position on the Modification	Support Modification

Facilitation of the relevant objectives

How this proposal will, if implemented, better facilitate the “code relevant objectives”, as defined in Standard Condition 9 of the Gas Transporters Licence. For those answered Yes to, please provide a detailed explanation below the table.

<i>Relevant Objective</i>	<i>Yes/No</i>
a. the efficient and economic operation of the pipe-line system to which this licence relates	
b. so far as is consistent with sub-paragraph (a), the coordinated, efficient and economic operation of the pipe-line system of one or more other relevant gas transporters	
c. so far as is consistent with sub-paragraphs (a) and (b), the efficient discharge of the licensee's obligations under this licence	
d. so far as is consistent with sub-paragraphs (a) to (c) the securing of effective competition between relevant shippers and between relevant suppliers	Yes
e. so far as is consistent with sub-paragraphs (a) to (d), the provision of reasonable economic incentives for relevant suppliers to secure that the domestic customer supply security standards are satisfied as respects the availability of gas to their domestic customers	
f. so far as is consistent with sub-paragraphs (a) to (e), the promotion of efficiency in the implementation and administration of the network code and/or the uniform network code referred to in paragraphs 2 and 5 respectively of this condition	
g. so far as is consistent with sub-paragraphs (a) to (f), the compliance with the Regulation* and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators	

* Regulation 2009/715/EC of the European Parliament and of the Council of 13 July 2009

Relevant Objectives to be better facilitated:

We believe this modification fulfils relevant objective d)

We would expect that, the increased accuracy of AQ values will improve the allocation

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of energy and costs between Shippers and therefore promote effective competition

Likely impact on environment?

Will not impact the environment

Implementation issues including impact on your systems

Minimal Impact

We would be happy to support the proposer's suggested preference for this modification to be implemented by 01 September 2014

Additional Information and Comments

We feel that the current CSEP NExA table which contains AQ figures from the 2010 AQ review is out of date. Accurate AQ's allow for better planning for transportation capacity, it also means more accurate charges being passed through. iGT AQ values directly impact CSEP costs & should therefore be updated in line with changes in the GT AQ values (upward or downward), otherwise allocation of energy is misallocated across GT/iGT markets.

There has been a yearly percentage change in the AQ values since the last review, it is appropriate to reflect these changes within the CSEP NExA table, showing a more accurate figure, rather than have to price based on outdated figures. Subsequently, tariffs become more reflective for the customer.

The industry has a responsibility to accurately price domestic new connection customers based on the most up to date AQ values available. A customer would expect to be priced at the most reflective price possible. In line with Ofgem incentives e.g. Retail Market Reform (tariff simplification) this can only provide a positive step towards transparency and fairer pricing for domestic customers.

Completed forms should be returned to the iGT UNC Representative, Gemserv Ltd at iGT-UNC@gemserv.com or faxed to 020 7090 1001