



CHEMICAL INDUSTRIES  
ASSOCIATION

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**Potential new System Operator quality of information  
incentive schemes for National Grid Gas**

Dear Sonia,

The CIA welcomes the opportunity to respond to this consultation. For many chemical companies the NGG website is the only source of data that they have access to inform them of the operation of the UK's gas market and the supply/demand position. We therefore feel that it is vital that consumers have access to both accurate and timely information.

We agree that adopting option 2 in relation to demand forecasting is desirable as National Grid Gas will be facing an upside and downside.

We note that Ofgem wish to adopt option 1 on website performance, which represents only an upside for improvement. We note that Ofgem want to see improvements in time for the winter due to the benefits to consumers, but option 2 would also give NGG an incentive and contains an appropriate downside.

Ofgem are proposing to measure the availability of the NTSAPF, NTSAFF (forecast flows onto NTS), NB92 (linepack) and forecast demand pages. However, we would like Ofgem to note that the Daily Summary Report (DSR) page which provides an overview is very important to consumers. We note that Ofgem have asked NGG to monitor the availability of the DSR page, and we ask Ofgem to ensure that it is monitored as this web page provides a very good overview that everybody can use.

**Question : do you have any views on the scope and form of any enduring arrangements that may be required to promote NGG's quality of service with regard to gas demand forecasting accuracy and website performance from April 2007?**

The CIA believes that going forward NGG need to deliver information accurately and on time, with equal access to all. This can be achieved through the appropriate service level agreements and performance monitoring contracts that NGG should have in place with their service providers. We wait to see how NGG perform during winter 2006/07 and welcome further work, if it is required in this area.

Kind regards,

Helen Bray  
Head of Competitiveness and Utilities



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