

Ofgem gas distribution interruptions policy

- Current interruption policy is intended to efficiently incentivise GDNs to manage their capacity
 - In 2007 interruption payments were £39m under new arrangements spending on interruptible capacity will be less than a quarter of this by 2011/12
- Interruptions contracts could be utilised in a gas emergency situation but were never designed as an efficient response to this
- Interruption contracts were used this winter, however the circumstances were highly unusual
 - Previous instances of using interruption contracts for security of supply purposes are rare
 - There is the facility for suppliers and customers in the light of this winter to increase the use of demand management products such as supplier interruptible and gas buy back contracts