

Martin Crouch Partner, European Strategy Ofgem 9 Millbank London SW1P 3GE

23 August 2010

Dear Martin

## Consultation "relevant points" of a transmission system for the purposes of Article 6(4) Gas Regulation (EC) No 1775/2005

EDF Energy welcomes the opportunity to respond to this consultation. We support Ofgem's proposal that all NTS Exit Points listed in NGG NTS' Licence are included as relevant exit points.

We note that NGG NTS has published the information required under the EU Second Directive for all NTS exit points for a period of time. We understand that this consultation seeks to ensure that these exit points are defined as relevant points, as required by the Second Package. We do not believe there will be any detrimental impact on Shippers or customers by classifying them as relevant exit points for the requirements contained under EU Regulation 1775/2005.

We recognise that in the near future Ofgem will be required to consult on the relevant points for the EU Third Package to ensure that Great Britain is compliant with this directive. We are aware that the transparency requirements under the Third Package (and the definition of a relevant point) are different so early consultation on this would be beneficial. This would provide certainty to NGG NTS regarding which offtakes they are required to publish information for to remain compliant with the Third Package and so limit the risks (and associated costs) of developing IT systems to support one definition which may be subsequently change by this consultation. Whilst we are aware that these requirements have not been formally adopted, we believe that the text of the relevant regulations has been finalised, and so there may be a benefit in Ofgem issuing an informal consultation, or initial minded to position to provide some comfort to the industry.

Finally, we note that we have supported information transparency in Great Britain across the gas and electricity markets on the basis that the release of this information does not provide a commercial disadvantage to any party or have security implications. As the information required for the Second Package has been published by NGG NTS for a period of time for all exit points, we do not believe that there are any commercial or security implications from continuing to publish this information. Critical to the success of this information release is its successful publication and dissemination to fully comply with the



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spirit not just the letter of the regulation. We therefore suggest serious attention be given to the delivery of this information. We believe that the onus should be placed on those who may claim commercial disadvantage to demonstrate that this might be the case.

I hope you find these comments useful, however please contact Stefan Leedham (<u>Stefan.leedham@edfenergy.com</u>, 020 3126 2312) if you wish to discuss this response further.

Yours sincerely

Rob Rome Head of Transmission and Trading Arrangements Corporate Policy and Regulation