

# Modification 0461 Update



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## Modification 0461 Quick Recap

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- Raised by NG NTS in June 2013 to facilitate compliance with the EU Network Codes
- Workgroup development of Modification July-Dec 2013
- Draft Modification Report published for industry consultation 19<sup>th</sup> Dec 2013
- Consultation period closed 27<sup>th</sup> January 2014

# Modification 0461 Consultation Responses

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Number of Respondents	Support	Qualified Support	Not in Support	Comments
18	9	1	6	2

## Summary of Supporting Responses

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- 3 Transporters and 6 GB Shippers in support
  - Agree that the Modification meets the Relevant Objective (EU legislative requirements)
- Many requested a prompt decision to assist in meeting proposed implementation timescales
- Concerns raised over other industry changes with similar implementation times, e.g. Project Nexus, Smart Metering, SCR
- Concerns raised over wider system impacts and costs

## Summary of Qualified Support Response

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- Transporter response
- Modification delivers a minimal impact solution to UNC
- Also agree Relevant Objective met
- Concern raised that a full impact assessment of the spectrum of changes (outside of the UNC) to business systems and processes has not been completed

## Summary of Responses Not in Support

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- 6 responses from upstream parties
- Suggest the Modification extends beyond the requirements of CAM (only applicable at IPs)
- Consequences of the Modification that extend beyond UNC (in particular to upstream gas production)
- Highlight lack of detailed cost-benefit analysis
- Difficulties of operating dual gas days if upstream remain with the current GB gas day
  - Potential decrease in claims validation accuracy resulting in the misallocation of gas

## Summary of Comments Received

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- Reiteration that CAM only applicable at IPs therefore the Modification goes beyond the requirements of the EU Regulation
- It should not be considered a viable option to operate different gas days throughout the GB gas regime as it will complicate gas balancing arrangements

## Next Steps

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- UNC Panel will vote on the Final Mod Report on 20th February 2014, and decide whether to recommend implementation to Ofgem
- An implementation date of October 2015 is proposed in Modification 0461 and although challenging NG still believe this date is achievable