

OFGEM

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Consultation Response OMV GAS
Amendments to Gas Transmission Charging Regime

**OMV GAS Marketing & Trading
GmbH**

Dear colleagues

OMV Gas Marketing & Trading GmbH (OMV Gas) welcomes the opportunity to comment on the OFGEM Charging Methodology Consultation pursuant to NC TAR, as published on 23 December 2019.

RPM:

We have a preference for the postage stamp methodology (as outlined in modification proposal UNC678A) as it better reflects the characteristics of the meshed network of National Grid than the CWD approach.

Multipliers and Discounts:

We believe that the risk of interruption at ASEPs should be reflected by significantly higher discounts than 10% in the light of the potential continuation of excessively high overrun charges. We believe the current discount system reflects such risk appropriately.

Furthermore, we suggest to introduce a multiplier for daily entry capacity that is significantly lower than 1 (pursuant to NC TAR Art 13 b). The due justification for such measure must be seen in attracting short term volumes entering the UK from Norway, since such volumes are directly competing for flows into other NWE markets.

Timeline:

We support the intention to introduce the new charging regime with effect of 1st of October 2020. However, the final decision including the publication of tariffs should be available sufficiently prior to the annual capacity auction in July 2020.

With best regards

OMV Gas

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