

## A071: *Alternative Capacity Arrangements in event of GNI Interruptions to Flows* – Transporter response to consultation

The Transporter welcomes the opportunity to respond to this proposal as presented at the Code Modification Forum on January 27<sup>th</sup>. Following an initial assessment of the proposal, the Transporter would like to make the following points, and looks forward to discussing these further:

1. Under the Code of Operations the Transporter is obliged to provide for the operation and maintenance of the Transportation System; it is not possible in all cases to undertake maintenance without affecting capacity and a certain amount of unscheduled maintenance is inevitable. As a Reasonable Prudent Operator the Transporter must be allowed to maintain the gas network with consideration to the operational integrity and security of the Transportation System.
2. This proposal creates the potential for market distortions where a Shipper who can avail of the proposal will be exempt from the capacity charges at Moffat (being the charges payable by all other Shippers other than those benefiting from the proposal) while having the same facility to purchase gas at the NBP at the same price as those Shippers discharging the full Moffat tariff; and
3. The Transporter may need to consider the potential impact on system costs and the Transporter's obligations with respect to maintenance.

Further to the above points the Transporter believes that the Modification proposal is unclear in a number of areas, such as;

- For the purposes of this proposed Modification what exactly constitutes a Transporter interruption;
- Why the alternative capacity could not be made available at any alternative Entry Point, rather than specifically at the Moffat Entry Point;
- Why the affected shipper would be rebated for capacity at Moffat and not for the affected capacity.

The above constitutes the initial thoughts of the Transporter and are outlined to facilitate industry discussion. The Transporter awaits to hear the thoughts of industry and the proposers thinking with respect to the items outlined above, as well as with respect to any additional responses received from industry.