

18 November 2016

Our ref: CMA001

Project Manager
Energy Market Investigation
Competition and Markets Authority
Victoria House
Southampton Row
London
WC1B 4AD

Dear Mr Fowlis,

CMA Draft Energy Market Investigation Order (ECOES/DES) 2016 Consultation

BUUK Infrastructure ("BUUK") welcomes the opportunity to respond to the CMA's invitation for representations on The Energy Market (ECOES/DES) Order 2016 ("the order"). BUUK is the parent company of gas transportation licensees GTC Pipelines Limited ("GPL"), Independent Pipelines Limited ("IPL") and Quadrant Pipelines Limited ("QPL"). Each of our licensees operate as Independent Gas Transporters ("IGTs"), owning and operating the 'last mile' networks which are principally provided to new developments. BUUK is also the parent company for the Electricity Network Company Limited ("ENC") and Independent Power Networks Limited ("IPNL") who operate as Independent Distribution Network Operators ("IDNOs"). This response addresses concerns we have with obligations being placed on Independent Gas Transporters.

Whilst BUUK does not foresee any issue with allowing access to ECOES and DES to Price Comparison Websites (PCW's), we believe the drafting in the order is flawed because the draft order places obligations on IGTs in respect of a code (the UNC) which they are not party to and, as a consequence, have no vires in respect of the UNC modification process. Paragraph 4.3 of the draft order states:

"Gas Transporters must use their best endeavours to ensure that a modification proposal concerning any necessary amendments to the UNC to reflect the obligation in Article 4.1 is approved and implemented as soon as reasonably practicable after the date of this Order."

The current definition of Gas Transporter (to which the above obligation applies) extends to "any person who is authorised by a Gas Transporter Licence to transport gas". Therefore IGTs are included within this definition.

We would suggest that the wording of paragraph 4.3 is amended to:

"Gas Transporters, who are a party to the UNC on the commencement date of this order, must use their best endeavours to ensure a modification proposal concerning any necessary amendments to the UNC to reflect the obligation in Article 4.1 is approved and implemented as soon as reasonably practicable after the date of this Order."

Also, we suggest adding a new paragraph 4.4 to cover IGTs who are party to the IGT UNC. However, even if such paragraph is not included in the order it is our intent to raise a modification to the IGT UNC to bring the obligation in paragraph 4.1 into effect.

Should you wish to discuss our response in further detail, please do not hesitate to contact me.

Yours sincerely

Mike Harding
Head of Regulation