



**WALES&WEST
UTILITIES**

[REDACTED]
Department of Energy and Climate Change
Area 4C
3 Whitehall Place
London
SW1A 2HD

[REDACTED] @decc.gsi.gov.uk

Wales & West House
Spooner Close
Celtic Springs
Coedkernew
Newport NP10 8FZ
T. 029 2027 8500
F. 0870 1450076
www.wwutilities.co.uk

Tŷ Wales & West
Spooner Close
Celtic Springs
Coedceryw
Casnewydd NP10 8FZ

23th November 2010

Wales & West Utilities response to "DECC consultation on the provision of third party access to licence exempt electricity and gas networks"

Dear [REDACTED]

WWU is a licensed Gas Distribution Network (GDN) providing Gas Transportation services for all major shippers in the UK. We cover 1/6th of the UK land mass and deliver to over 2.4 million supply points. WWU Limited is one of only two Licence Operators that focus solely on Gas Distribution in the UK.

Consultation Questions

- Do you have any views or concerns on how Government intends to apply third party access requirements to licence exempt distribution networks?

We support the government's proposal to issue guidance as to what constitutes a distribution network. Wales & West Utilities is aware that there are private gas networks within its network and that their status in terms of licence requirements may not be clear to the operators of these networks. The guidance could usefully cover not only what constitutes a network but also what makes a network change from licence exempt to requiring a licence. We accept that this would expand the scope of the guidance we believe that it would be useful.

We agree that some systems should be classified as closed systems as this will enable operators of industrial sites which require a gas or electricity to be distributed around the site to be treated differently. It will be necessary to identify the operators of these systems and make them aware of their obligations and also that their status may change if, for example, ownership of parts of the site changes. Operators of licence exempt and closed networks will need to be made aware of these issues, as it is likely that some will be unaware of the impact the Citiworks ruling could have on them. If some form of publicity campaign is undertaken it would be sensible to use it to remind the operators of safety related issues such as replacement of metallic pipework and the need to comply with regulations such as the Pipeline Safety Regulations and Pressure System Safety Regulations

24 hour gas escape number
Rhif 24 awr os bydd nwy yn gollwng

0800 111 999*

*calls will be recorded and may be monitored
caiff galwadau eu recordio a gellir eu monitro

Wales & West Utilities Limited
Registered Office:
Wales & West House, Spooner Close, Coedkernew, Newport NP10 8FZ
Registered In England and Wales: No. S046791



We assume that this ruling will apply both to gas networks that convey natural gas and those that convey other hydrocarbon gases such as LPG and suggest that this should be clarified.

We note that the Government is proposing to amend the Gas Act 1986 and the Electricity Act 1989 and note that this could also be used for any other changes required to these Acts.

• Do you have any views or concerns on how Government intends to apply these Third Package requirements to licence exempt undertakings?

Exempt suppliers and exempt distributors are likely to find these changes unwelcome and therefore we support the adoption of the least burdensome solution. It seems likely that it is only larger customers, or those that are parts of larger businesses, will seek access to competitive supply contracts and therefore while facilitating competition is important it is also important not to impose costs on businesses where there is unlikely to be anyone who wishes to take advantage of the opportunity.

Yours sincerely



Wales & West Utilities