

**Centrica Storage response:**

Q1. This methodology seeks to provide a reliable measure of physical market value. How well do you think the ICIS methodology achieves this aim?

n/a

Q2. Are there alternative methodologies you would like ICIS to consider? If so, please describe these methodologies and their strengths and weaknesses as mechanisms for measuring physical market value. Please explain their strengths and weaknesses relative to current methodology.

The best mechanism to measure the physical market value is a cleared daily auction as it is common practice in the European power markets. The advantages of cleared auctions have been well demonstrated by the European power markets. Generally I'd expect daily gas auctions to be more transparent and reliable than OTC assessments.

Q3. How well do the ICIS prices published in this report serve your business? Are there additional prices you would like to see?

The ICIS prices serve our business equally well as other price publications. Currently there are no additional prices needed.

Q4. Is there any other information that you believe would be helpful to ICIS in its review of this methodology? If so, please give details.

n/a

Q5. Some industry participants have proposed an alternative closing price methodology for the NBP and TTF Day-ahead contracts. It would generate indices from trades done during a five-minute time window. The index would be a volume-weighted average of deals done during this time. Please give your views on whether this would provide a reliable measure of physical market value.

In my view this would be equally reliable as the current methodology is.

Q6. If your response to Q5 is positive, please specify at what point in time you believe the index should capture deals. The current time for the ICIS closing assessment is 16:30 UK time.

n/a

Q7. If an index, as described in Q5, were developed by ICIS, would your company be willing to directly or indirectly submit deal information to this index? If so, would you deem any existing data-capture system to be the most appropriate channel for the provision of trade data to ICIS? Please specify your preferred method of data provision.

n/a

Q8. If your response to Q5 is positive, do you think the index should replace the current closing assessment methodology or be published by ICIS as an additional reference point?

n/a

Q9. Do you believe an index, as described above, would provide reliable measure of physical market value for any other European gas contracts?

See answer to Q2.

Q10. If your company believes ICIS should launch a deals-based closing index as described in Q5, within what timeframe would you like to see this change happen?

n/a

Regards,

Roddy Monroe  
Head of Regulatory Affairs

Mobile: 07979 566036