

Consultation on Gas Industry Co FY2027 Work Programme and Levy

Genesis Energy

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Consultation Question	Response
Q1: Do submitters agree with Gas Industry Co's assessment of the strategic context?	<p>Genesis broadly agrees with GIC's assessment.</p> <p>It is true that declining gas supplies have increased the challenges for industrial and commercial consumers seeking gas contracts. It should also be noted that electricity generators face similar challenges, with material impacts on electricity affordability and security.</p>
Q2: Do submitters have any comments on the process for developing Gas Industry Co's FY2027 Work Programme and Levy?	<p>Yes. GIC is to be commended for the collaborative approach to developing the work programme. Genesis encourages GIC to seek a broad range of views and perspectives when identifying its focus areas.</p>
Q3: Do you consider there to be any other items that should be included in Gas Industry Co's intended Work Programme for FY2027?	<p>Genesis considers there would be value in explicit joint work between GIC and the Electricity Authority on cross-sector security-of-supply risks, including dry-year adequacy, declining gas flexibility, and emergency arrangements. This would seem to align with the intent of the Memorandum of Understanding between GIC and the EA.</p> <p>Scenario-based analysis of LNG availability, accelerated industrial exit, and infrastructure decommissioning would also support better system-</p>

	<p>wide decision-making.</p> <p>As a general comment, GIC should avoid initiatives that conflict with the work of other public entities. Ensuring consistency of information is more important than ever given the recent strain on the energy system.</p>
<p>Q4: Do you consider there to be any items that should be excluded from Gas Industry Co's intended Work Programme for FY2027?</p>	<p>Genesis does not propose specific exclusions at this stage, but emphasises the importance of proportionality. In particular, workstreams relating to biogas and expanded data disclosure should be carefully scoped to avoid duplication with other agencies and to ensure regulatory effort is commensurate with the scale and maturity of those markets.</p> <p>For the avoidance of doubt, Genesis supports the proposed biogas workstream. We agree that GIC's role should focus on coordination, targeted regulatory enablement, and advice to Ministers, rather than prescriptive intervention, consistent with the Government's market-led approach to biogas.</p>
<p>Q5: Do stakeholders consider the 85 PJ gas volume projection reasonable?</p>	    
<p>Q6: Do you have any comment on the proposed levy rates for FY2027?</p>	<p>Genesis notes that the proposed levy rates are broadly stable year-on-year, despite declining volumes and ICP numbers. While we acknowledge GIC's efforts to manage costs, Genesis emphasises that</p>

	levy impacts will become more acute as the sector contracts. Any future review of levy arrangements should prioritise transparency, predictability, and avoidance of cross-subsidisation between remaining consumers.
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