

Workgroup Terms of Reference

0373 - Governance of NTS connection processes

Workgroup Report to Panel Meeting: 20 October 2011

Date referred from Panel: 21 April 2011

Background – Why Change?

Please refer to Modification 0376 at www.gasgovernance.co.uk/0376

Solution

In order to provide for greater certainty in terms of delivery of those outputs detailed in the modification it is proposed that the UNC is modified to accommodate some, or all of the following as part of a new, formal NTS connection “offer” process:

- Feasibility Studies;
- Design and Build Agreement – including provision for the timing and cost of Conceptual Design Studies;
- Network Entry/Exit Agreements and Storage Connection Agreements;
- Establishment of a Entry/Exit Point within the GT Licence and the request for applicable revenue drivers.

Note: There may be additional processes/steps, which should be included in this list but have not been identified by the Proposer. The development process should also consider the value of existing processes/steps and consider whether there are opportunities for improvement (eg whether the existing Conceptual Design Study report provides developers/shippers with the information they need).

Attached to these processes, will be a timeline that should be applied in all circumstances, understanding that certain provisions may need to be made to accommodate “complex” connections.

Furthermore and where appropriate, it is proposed that standard costs should be assigned to the delivery of certain services; e.g. Feasibility Studies and Conceptual Design Studies.

The scoping of the full suite of processes to be incorporated within the proposed change and the timescales and costs associated with them will be identified by the industry.

Topics for Discussion

- Understanding the objective
- Assessment of alternative means to achieve objective
- Development of Solution (including business rules if appropriate)
- Assessment of potential impacts of the modification
- Assessment of implementation costs
- Assessment of legal text.

Outputs

Produce a Workgroup Report for submission to the Modification Panel, containing the assessment and recommendations of the Workgroup.

Composition of Workgroup

The Workgroup is open to any party that wishes to attend or participate.

A Workgroup meeting will be quorate provided at least two Transporter and two User representatives are present.

Meeting Arrangements

Meetings will be administered by the Joint Office and conducted in accordance with the Code Administration Code of Practice.