

UNC Modification	At what stage is this document in the process?
<h1 data-bbox="134 322 657 412">UNC 0801:</h1> <h2 data-bbox="134 450 1126 584">Removal of capacity and balancing services from the role of CDSP</h2>	<div data-bbox="1209 309 1469 629"> <div data-bbox="1209 309 1469 383">01 Modification</div> <div data-bbox="1209 389 1469 463">02 Workgroup Report</div> <div data-bbox="1209 470 1469 544">03 Draft Modification Report</div> <div data-bbox="1209 551 1469 624">04 Final Modification Report</div> </div>
<p>Purpose of Modification:</p> <p>This Modification proposes to remove certain services, relating to capacity and balancing, from the role of the Central Data Service Provider (CDSP) within UNC. This will allow National Grid to deliver their UNC obligations through other means.</p>	
<p>Next Steps:</p> <p>The Proposer recommends that this Modification should be:</p> <ul style="list-style-type: none"> considered a material change and not subject to Self-Governance assessed by a Workgroup <p>This Modification will be presented by the Proposer to the Panel on 17 February 2022. The Panel will consider the Proposer’s recommendation and determine the appropriate route.</p>	
<p>Impacted Parties:</p> <p>High: National Grid, CDSP</p> <p>Low: Shippers, Distribution Network Operators.</p> <p>None: IGTs</p>	
<p>Impacted Codes: UNC.</p>	

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Timetable		
Modification timetable:		
Pre-Modification Discussed	03 February 2022	
Date Modification Raised	04 February 2022	
New Modification to be considered by Panel	17 February 2022	
First Workgroup Meeting	03 March 2022	
Workgroup Report to be presented to Panel	11 May 2022	
Draft Modification Report issued for consultation	19 May 2022	
Consultation Close-out for representations	13 June 2022	
Final Modification Report available for Panel	14 June 2022	
Modification Panel decision	16 June 2022 (at short notice)	
		 Any questions?
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1 Summary

What

Provisions relating to the CDSP and CDSP services are set out within the UNC in General Terms Section D. Gas Transporters must contract with the CDSP to deliver any services or functions that are identified as CDSP services by the UNC. The scope of this Modification proposal would remove certain services (relating to capacity and balancing) from being defined as CDSP services.

Why

National Grid is considering replacing the Gemini system to modernise the service offered and realise efficiency savings. If National Grid were to have more flexibility in being able to procure capacity and balancing services from the market, then this could result in cost savings for industry and consumers in the delivery and maintenance of any Gemini replacement system (aka Apollo). Any new system would also be intended to result in improved customer service/features addressing customer pain points, as well as a system that is more adaptive to accommodating future regulatory changes.

How

CDSP services relating to capacity and balancing shall be amended so that they are no longer a UNC obligation on the CDSP to deliver. Amendments will be made accordingly to GT Section D and TPD as required (including sections B, E, F and S, and any other relevant sections). A separate change proposal will be raised to cover changes to DSC documents (including UK Link manual and DSC services).

2 Governance

Justification for Authority Direction

The change will result in a reapportionment of CDSP costs and changes to service lines. The costs may be considered to be material and worthy of Authority consideration. Gemini systems change will also be removed from DSC Change services and Change Management procedures.

Requested Next Steps

This Modification should:

- be considered a material change and not subject to Self-Governance.
- be assessed by a Workgroup.

3 Why Change?

Capacity and balancing services are predominantly delivered via the Gemini system. This is an aging system which National Grid would like to replace in order to deliver a modern responsive and adaptive system to better meet the needs of our customers now and in the future, and to realise efficiency savings. The purpose of this proposal is to remove UNC obligations relating to capacity and balancing services from the CDSP. This allows National Grid NTS to have flexibility in procuring the delivery of those services from the market, in order to maximise benefits from the replacement programme for stakeholders.

4 Code Specific Matters

Reference Documents

UNC General Terms Section D, and Transportation Principal Document

[DSC/CDSP Documents](#)

Knowledge/Skills

n/a

5 Solution

UNC

Service obligations on the CDSP to provide the following services shall be removed:

- Establishing and operating UK Link Gemini (GT Section D)
- Capacity Functionality & Invoicing (TPD Sections B, S)
- Energy Balancing Functionality & Invoicing (TPD Sections E, F, S)

DSC

Services relating to Gemini are also contained within the DSC. DSC documents will be updated accordingly by the relevant DSC Committee to remove the associated Gemini services. This includes:

- Gemini Change Delivery
- Gemini Reporting
- Gemini Training
- Gemini Code Contingency Exercise
- Gemini Service Desk

A subsequent DSC Change Proposal will be raised to enact these changes.

6 Impacts & Other Considerations

Does this Modification impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

None.

Consumer Impacts

The Apollo project will result in annual efficiency savings, which all other things being equal should ultimately be passed on to consumers in the form of lower bills.

What is the current consumer experience and what would the new consumer experience be?

The consumer experience should not be directly affected as consumers do not interface with Gemini.

Impact of the change on Consumer Benefit Areas:	
Area	Identified impact
<p>Improved safety and reliability</p> <p>No direct impact on consumers.</p>	None
<p>Lower bills than would otherwise be the case</p> <p>The Apollo project will result in annual efficiency savings, which all other things being equal will ultimately be passed on to consumers in the form of lower bills.</p>	Positive
<p>Reduced environmental damage</p> <p>A more adaptive system design should facilitate the speed of change as the industry moves to a net zero status (e.g. hydrogen supply and consumption)</p>	Positive
<p>Improved quality of service</p> <p>No direct impact on consumers.</p>	None
<p>Benefits for society as a whole</p> <p>No direct impacts identified.</p>	None

Cross-Code Impacts

As the CDSP currently provides the service directly to National Grid NTS through obligations in the UNC and DSC, no other Codes will be impacted.

EU Code Impacts

None.

Central Systems Impacts

There are no direct impacts upon central systems from this modification. This proposal would remove certain services from the Gemini system. It would also enable these services to be provided by an alternative system.

7 Relevant Objectives

Impact of the Modification on the Transporters' Relevant Objectives:

Relevant Objective	Identified impact
a) Efficient and economic operation of the pipe-line system.	Positive
b) Coordinated, efficient and economic operation of	None

(i) the combined pipe-line system, and/ or (ii) the pipe-line system of one or more other relevant gas transporters.	
c) Efficient discharge of the licensee's obligations.	None
d) Securing of effective competition: (i) between relevant shippers; (ii) between relevant suppliers; and/or (iii) between DN operators (who have entered into transportation arrangements with other relevant gas transporters) and relevant shippers.	None
e) Provision of reasonable economic incentives for relevant suppliers to secure that the domestic customer supply security standards... are satisfied as respects the availability of gas to their domestic customers.	None
f) Promotion of efficiency in the implementation and administration of the Code.	None
g) Compliance with the Regulation and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators.	None

This proposal would further relevant objective a) by achieving efficiency savings in the delivery of capacity and balancing services, and in the delivery of changes to those services.

8 Implementation

No implementation timescale is proposed at this time. It can be noted that any replacement system would take some time to deliver (approximately 2 years at current estimates) so implementation could be expected around mid-2024, and no earlier than 2023. Until alternative provisions are in place to provide the relevant services, then the existing obligations to provide them would continue under the current framework.

If a new system were to be delivered, then – for awareness - it should be noted that a temporary systems design ‘freeze’ would need to be put in place. This is because a fixed set of requirements would be required to deliver v1.0 of any new system.

9 Legal Text

Legal text will be drawn up by the relevant Transporter at a time when the Modification is sufficiently developed in line with the [Legal Text Guidance Document](#).

Text Commentary

To be provided in due course.

Text

To be provided in due course.

10 Recommendations

Proposer's Recommendation to Panel

Panel is asked to:

- Agree that Authority Direction should apply.
- Refer this proposal to a Workgroup for assessment.