

Representation

Draft Modification Report

0461 - Changing the UNC Gas Day to Align with the Gas Day in EU Network Codes

Consultation close out date: 27 January 2014

Respond to: enquiries@gasgovernance.co.uk

Organisation: National Grid Distribution

Representative: Alan Raper

Date of Representation: 27 January 2014

Do you support or oppose implementation?

Qualified Support

Please summarise (in one paragraph) the key reason(s) for your support/opposition.

We support the modification on the basis that it has adopted a “minimal change” approach to the proposed 05.00GMT to 05.00GMT UNC Gas Day, as brought about by the adoption of a European Union-wide 05.00UTC to 05.00UTC definition of the gas balancing day. We believe that the selective approach to changing the time of timed events, as opposed to time-shifting the entire gas day’s events is the optimum solution.

However, while we are relatively comfortable with the explicit changes detailed in this modification, we still have some major concerns regarding implementation of the full raft of business support system changes implicit with changing the definition of the UNC Gas Flow Day. The costs associated with the change have yet to be fully determined.

Modification Panel Members have indicated that it would be particularly helpful if the following question could be addressed in responses:

Q1: Please provide views on the time constraints of the process and effort required to implement this modification.

While we accept that the definition of the UNC Gas Day needs to change reflect European regulation, and that rescheduling a limited subset of UNC timed events throughout the day is the best approach for implementing the UNC change, there is a raft of implicit changes to business support systems and working procedures which have not been mentioned in the report.

While the approach adopted has sought to minimise the changes to the UNC, this approach has not revealed the full extent of the system changes required where the process, or supporting system calculation, refers to the “Gas Flow Day”. For instance, the

definition of LDZ gas demand does not appear change as part of the proposal, but the underlying calculation to determine gas demand will have to be reprogrammed to provide a value for the new gas day period and the supporting input data will need to be rescheduled to provide data to feed the revised calculation.

Consequently, we believe that this draft modification report does not embody a full impact assessment of the broader effects of the change and has not revealed the full extent of the system changes that will be required to adopt the new gas day period. For DNOs, this particularly with relates to inter-control room activities and information flows where we are required to calculate energies that relate to the new gas day period.

It is not the explicit timed events that our concern, but the implicit changes that will result from the introduction of the new gas day period and will drive system development and change costs into our business. For DN operators, the change is much more complex than the proposal would suggest and we are still in the process of undertaking our impact assessment.

Are there any new or additional issues that you believe should be recorded in the Modification Report?

None

Relevant Objectives:

We concur that the proposal should be implemented on the basis that this change facilitates compliance with European legislation.

Impacts and Costs:

We continue to work on the costs associated with changing our systems to accommodate with the new gas day period, and we continue to explore options to keep costs to a minimum. We have not yet completed our impact assessment; consequently, we are not yet in a position to determine to optimum offset between undertaking system changes and changes to manual operating procedures.

Therefore, at this stage we are unable to quantify the cost of implementation.

Implementation:

We understand implementation date has been set for October 2015, although the requirement set-out in the relevant EU directive is has a back-stop date of November 2015. At this stage of our impact assessment, our preliminary view is that we need as much time as possible to implement the system changes.

Legal Text:

We have no comments on the legal text

Is there anything further you wish to be taken into account?

No