

UNC 0835R

Mod Title: Review of Gas Demand Side Response Arrangements



Proposer: National Gas Transmission

Panel Date: 16th February 2023

Why change?



- Urgent Modifications 0822 & 0833 were implemented last year to stimulate participation in the gas DSR market
 - Introduced a voluntary tender process for shippers to secure option payments in exchange for offering DSR on behalf of consumers at times of national supply shortage
 - Expanded the circumstances in which DSR could be executed to include when a Margins Notice is in force as well as a Gas Balancing Notification
- The first tender resulted in two option offers being accepted for a total volume of ~0.2 mcmd
- Feedback from consumers indicates that additional DSR volumes could be accessed if further reforms are implemented

Options



- We would like to explore 4 key areas with the industry
 - Direct contracting for DSR between NGT and consumers
 - A longer lead-time DSR product such as D-5
 - Eligibility criteria and how smaller sites could be aggregated
 - Review of arrangements implemented by 0822 and 0833
- The aim is to identify priority areas and potential solutions that could be implemented for next winter that could be taken forward via a subsequent Modification(s)

Recommended Steps



- The Proposer recommends that this UNC Request should:
 - Progress to a Workgroup for review and report back to Panel on 20 April 2023