UNC Modification

UNC 0XXX:

(Code Administrator to issue reference)

Shipper notification in relation to option exercise for Customer Demand Side Response

At what stage is this document in the process?





03 Draft Modification Report



Purpose of Modification:

To require National Gas to notify the relevant Shipper in the event that a Customer Demand Side Response option is exercised

Next Steps:

The Proposer recommends that this Modification should be:

- subject to Self-Governance
- assessed by a Workgroup

This Modification will be presented by the Proposer to the Panel on dd Month 202y (Code Administrator to provide date). The Panel will consider the Proposer's recommendation and determine the appropriate route.

Please consider providing a presentation to introduce the Modification to the UNC Modification Panel which should be sent with your Modification to the Joint Office (a suggested template is available at: https://www.gasgovernance.co.uk/unc/templates)

| Impacted | Parties: |
|-----------------|----------|
|-----------------|----------|

High: Shippers and Suppliers and National Gas Transmission

Low: None:

Impacted Codes:

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Joint Office of Gas Transporters

Modification Version Control

| Version | Date | Author | Summary of Changes |
|---------|---------------------------|--------|--------------------|
| V01 | 1 st June 2023 | SM | Initial Draft |
| | | | |
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| | | | |
| | | | |

1 Summary

What

- As part of the development of Modification 0844: Enabling Direct Contractual Arrangements with Consumers for Demand Side Response discussions took place in relation to a request for Shippers to be notified when Customer Demand Side Response options were exercised.
- It is expected that the number of Demand Side Response contracts will remain low with the Central Data Service Provider Rough Order of Magnitude assessment based upon 30 customers.

This ROM is based on a maximum of 30 consumers each month. If the number of requests exceeds this value then an assessment will be carried out to review the additional efforts.

Why

- 3. Both Shipper and Customer representatives in the Modification 0844 Workgroup felt that requiring National Gas to contact Shippers when Consumer Direct Demand Side Response was triggered would be beneficial.
- 4. It was noted that the resourcing more broadly in the event of an incident was agile and thus suitable resources could be brought in to meet the relevant requirements.
- 5. National Gas did affirm in the legal text that they will notify the relevant DN Operator (text below)
 - 8.7.6 Where National Gas Transmission exercises a DSR Option, if the Supply Meter Point is a LDZ Supply Meter Point it will notify the relevant DN Operator of the exercise.
- 6. National Grid were, despite requests to, unwilling to provide a similar service to Shippers
 - 7.9.6 Where National Gas Transmission exercises a Consumer DSR Option it will not inform the Registered User of the Supply Meter Point of the exercise;

How

- 7. We propose to introduce a requirement on National Gas to notify the relevant Shipper (suggested text is below)
 - 7.9.6 Where National Gas Transmission exercises a Consumer DSR Option it will inform the Registered User of the Supply Meter Point of the exercise.

2 Governance

Justification for Self-Governance

This change is immaterial as it relates to a small change relating to a very limited number of circumstances c. 30

Requested Next Steps

This Modification should:

- be considered a non-material change and be subject to Self-Governance.
- be assessed by a Workgroup.

3 Why Change?

- As part of the development of Modification 0844: Enabling Direct Contractual Arrangements with Consumers for Demand Side Response discussions took place in relation to a request for Shippers to be notified when Customer Demand Side Response options were exercised.
- It is expected that the number of Demand Side Response contracts will remain low with the Central Data Service Provider Rough Order of Magnitude assessment based upon 30 customers.
 - This ROM is based on a maximum of 30 consumers each month. If the number of requests exceeds this value then an assessment will be carried out to review the additional efforts.
- 3. Both Shipper and Customer representatives in the Modification 0844 Workgroup felt that requiring National Gas to contact Shippers when Consumer Direct Demand Side Response was triggered would be beneficial.
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- 5. National Gas did affirm in the legal text that they will notify the relevant DN Operator (text below)
 - 8.7.6 Where National Gas Transmission exercises a DSR Option, if the Supply Meter Point is a LDZ Supply Meter Point it will notify the relevant DN Operator of the exercise.
- 6. National Grid were, despite requests to, unwilling to provide a similar service to Shippers
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7. We propose to introduce a requirement on National Gas to notify the relevant Shipper (suggested text is below)

7.9.6 Where National Gas Transmission exercises a Consumer DSR Option it will inform the Registered User of the Supply Meter Point of the exercise.

4 Code Specific Matters

Reference Documents

TRANSPORTATION PRINCIPAL DOCUMENT SECTION D – OPERATIONAL BALANCING AND TRADING ARRANGEMENTS

Knowledge/Skills

TBC.

5 Solution

The Business Rules (BR) are set out below:

BR1. Introduce a requirement on National Gas to notify the relevant Shipper

Note: Suggested legal text:

7.9.6 Where National Gas Transmission exercises a Consumer DSR Option it **will** inform the Registered User of the Supply Meter Point of the exercise.

6. Impacts & Other Considerations

All parts of this section must be completed; showing "None" where the Proposer believes this is so.

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

No.

Consumer Impacts

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

The outcome should be an additional level of notification that was requested by both Shipper and Customer representatives on the Mod 0844 Enabling Direct Contractual Arrangements with Consumers for Demand Side Response Workgroup.

| Impact of the change on Consumer Benefit Areas: | | |
|---|-------------------|--|
| Area | Identified impact | |
| Improved safety and reliability | None | |
| Lower bills than would otherwise be the case | None | |
| Reduced environmental damage | None | |
| Improved quality of service | None | |
| Benefits for society as a whole | None | |

Cross-Code Impacts

TBD

EU Code Impacts

None

Central Systems Impacts

None identified

6 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. None b) Coordinated, efficient and economic operation of (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;

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| | (ii) between relevant suppliers; and/or | |
|----|--|------|
| | (iii) between DN operators (who have entered into transportation arrangements with other relevant gas transporters) and relevant shippers. | |
| 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 |

d) The inclusion of notification to Shippers in the event that Consumers direct Demand Side Response is triggered will provide an additional level of security for Shippers and Consumers. This is particularly relevant as direct contracting between National Gas and Consumers is atypical.

7 ImplementationASAP

ASAP

8 Legal Text

Text Commentary

TBC

Text

TBC

9 Recommendations

Proposer's Recommendation to Panel

Panel is asked to:

- Agree that Self Governance should apply.
- Refer this proposal to a Workgroup for a short assessment.

Document Control to be removed upon completion of the template.

Document Control Sheet

| Document ID | Title | Publication Date |
|-----------------------|------------------------------------|------------------------|
| Stage 01 | Stage 01 UNC Standard Modification | 24 May 2021 |
| | Template | |
| Version | Prepared by | Date Prepared |
| 4.0 | Helen Cuin | 04 November 2020 |
| Effective Date | Reviewed by | Date Reviewed |
| 24 May 2021 | Joint Office and Panel | 20 May 2021 |
| | Helen Cuin | 12 May 2022 no changes |
| | Approved by | Date Approved |
| | Panel | 20 May 2021 |

Revision History

| Version | Date | Review frequency | Reason for update |
|---------|------------------|------------------|--|
| 3.0 | 02 May 2019 | TBC | Current published Version |
| 3.8 | 04 November 2020 | TBC | CACoP insertion of Consumer Benefit Areas Joint Office suggested changes and insertion of Document Control Sheet. |
| 4.0 | 20 May 2021 | Annual | Panel approval following insertion of Consumer Benefit Areas |