

DSR Methodology Consultation - Questions

Q1: Do you agree that the DSR Methodology should set out provisions for the gas procurement arrangements between National Grid and Shippers, with only high level references to the Demand Side Response contractual arrangements between Shippers/suppliers and End User?

Q2: Do you agree that the current OCM Locational Market provides an appropriate platform to facilitate the provision of a DSR Product?

Q3: Does the proposed DSR Product meet your expectations in respect of providing sufficient market offer flexibility to match your operational requirements when determining and offering DSR? If not, which aspect(s) would you change, add or remove?

Q4: Do the criteria and arrangements set out within the Methodology for the posting and processing of DSR Offers meet your requirements? If not, could you describe the new issues you would like to be considered?

Q6: Do you consider that the Draft DSR Methodology, the proposed DSR Mechanism and the shipper/supplier to End User contract structure delivers an efficient and economic approach, through which customers may provide DSR, that may otherwise not be available during periods of acute gas market stress?

Q7: Do you consider that the proposed DSR Methodology appropriately meets the requirements set out in the Licence principles, i.e. that only signatories to Uniform Network Code may post a DSR Offer? If not, please detail how you feel this SC8I.4 (a) licence obligation may be better achieved?

Q8: Do you consider that the proposed DSR Methodology satisfies the eligibility criteria set out in the SC8I.4 (b)? If not, do you have any views on how to better satisfy this principle?

Q9: Are you satisfied that the introduction of the DSR Methodology through the proposed revisions to the Locational Market of the OCM Platform is the most appropriate approach to meet the principles set out in SC8I.4 (c)? If not, would you like to share any other options which in your opinion would better satisfy this principle? Do we now also need question 2?

Q10: Do you consider that this proposed DSR Methodology satisfies the principle set out in SC8I.4 (d) which requires all DSR Offers to be treated as 'Eligible Balancing Actions' and included in System Clearing Contracts and the calculation of Cash-out prices? If not, could you provide details of any compatibility issues that you feel would conflict with this principle?

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Q11: Would you agree that the proposed DSR Methodology provides you or other gas customers with an additional 'route to market'?

Q12: Would you agree that the proposed DSR Methodology does not unduly preclude the emergence of further commercial interruption arrangements? If not, could you provide information regarding which element you feel could prevent the emergence of commercial interruption, and any view on how this could be mitigated?

Q13: Do you foresee any distortions or unintended consequences that the introduction of the DSR Methodology may have on the existing market or gas supply contract arrangements and the principle of parties balancing their own positions in the wholesale gas market?

Q14: Do you believe that the proposed DSR Methodology facilitates the procurement of DSR in a manner consistent with the licensee's obligation to operate the pipeline system in an efficient and economic manner ?

Q15: Do you consider that the proposed DSR Methodology would provide an improvement to the incentives on the relevant suppliers to secure the domestic customer supply security standard?

Q16: Does the proposed DSR Methodology provide a route to market for a DSR product that you believe you would have an interest in participating within?

Q17: We would value any additional comments you would like to share with us regarding the development of the DSR methodology.