European Workgroup







European Workgroup 4th September 2014

1. General Update



Code Status Update

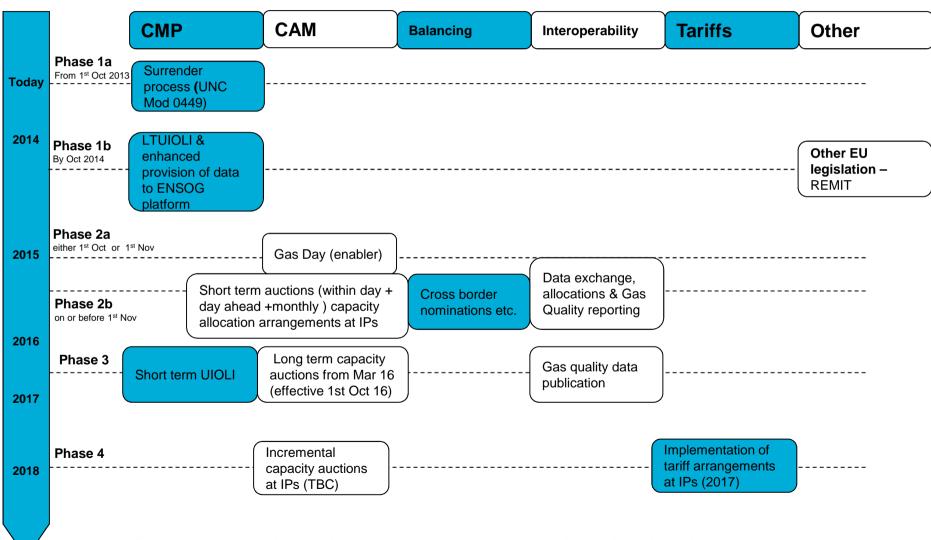
Code	Current Status	Implementation date
Congestion Management (CMP)	Implemented	1 st October 2013 (Fixed)
Capacity Allocation Mechanism (CAM)	CAM approved for EU wide implementation at relevant EU IPs.	1 st November 2015 (Fixed)
Gas Balancing (BAL)	BAL approved for EU wide implementation 26 th March 2014 (Commission Regulation (EU) No 312/2014 establishing a Network Code on Gas Balancing of Transmission Networks.)	1 st Oct 2015 (Fixed)
Interoperability & Data Exchange (INT)	In comitology, meeting held 10 th July 2014, next meeting scheduled for end of October (postponed from 1 st and 2 nd October)	1 st April 2016 compliance date
Tariffs	Under development. Code to be submitted 31 st December 2014.	Estimated earliest mid January 2017. Applicable from October 2017.
Incremental Capacity	Under development. Incremental Capacity to be introduced via combination of new articles in CAM Network Code and via Tariffs Network Code. Code amendment to be submitted 31 st December 2014.	Applicable from March 2017

Gas Codes Timeline

Status of Development of European Gas Network Codes

Future dates are subject to change Dates shown in <i>italics</i> are best approximations based on current understanding. It has been necessary to 'round' some dates for the benefits of the diagram									A	Activ	ities ities vities	unde	ertak	ken	by E	INTS	SOG		comr	nis	sion																						
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Road Map



Notes: 1) Long term capacity auctions may need to be delivered in conjunction with short term auctions

2. EU Code Updates



EU Tariffs Code Update



EU Tariff Code Update

- Responses analysed during August
 - All non-confidential comments now published on ENTSOG website in a single 489 page document
 - http://www.entsog.eu/public/uploads/files/publications/Tariffs/2014/TAR334-14_Initial%20Draft%20TAR%20NC%20Non-Confidential%20Responses%20to%20Consultation_Reader%20Friendly%20Format.pdf
 - There were 46 respondents including 8 from the UK
 - Responses were collated into themes
 - These shall be the basis for identifying any proposed changes
 - Consultation Response Report plus all non-confidential comments received to be published in early September.
 - Document finalised 2nd September

EU Tariff Code Update

- Next steps: identify areas for revision
 - Discussion with Prime Movers 15th Sept.
 - ENTSOG WG 16th Sept.
 - ACER/ENTSOG meeting 18th Sept.
- Possible areas for revision presented at Stakeholder refinement workshop 24th September

EU Incremental Amendment Update



EU Incremental Amendment Update

- Responses analysed during August
 - Responses & Consultation report now published:
 - Responses from 21 stakeholders (7 European associations, 2 national associations, 10 network users & 1 infrastructure operator)
 - http://www.entsog.eu/publications/incremental-capacity#6-CONSULTATION-ON-DRAFT-INCREMENTAL-PROPOSAL

Stakeholder refinement workshop 23th September

For further information, please contact Colin Hamilton (<u>colin.j.hamilton@nationalgrid.com</u>, 07971 760360)

EU Interoperability Code: Common Units Update





Common Units - Assumptions

- Interoperability draft text: Article 13: "Each TSO shall use the common set of units defined in this Article for any data exchange and data publication related to Regulation (EC) No 715/2009"
- Scope: GB will be required to use 0/25 reference conditions for:
 - Capacity bookings at IPs
 - Capacity obligations at IPs
 - Nominations at IPs
 - Information publication under Transparency rules
 - Gas quality data publication at IPs (if applicable to GB)

NG NTS Proposal to July EU Workgroup

Capacity

- Restate current shipper IP capacity bookings on a 0/25 basis (no conversions in Gemini)
- Restate IP baselines on a 0/25 basis
- Future shipper IP bookings made on PRISMA (at 0/25) not converted when downloaded to Gemini

<u>Energy</u>

- Shippers nominate at 0/25 either side of the IP
- Two allocations per shipper per IP per day:
 - 0/25 allocation for capacity overrun assessment
 - 15/15 allocation for shipper balancing purposes

EU Workgroup Feedback

- The 'dual allocation' proposal was not supported
 - Potential for confusion
 - Shipper system changes required
- Alternatives suggested:
 - 1) Change all GB reference conditions from 15/15 to 0/25
 - 2) Round the 0.999 conversion factor to 1

Workgroup Alternative 1:nationalgridChange all of GB from 15/15 to 0/25

- Goes beyond the requirements of the Interoperability Code, requiring legislative and physical measurement system changes
- Gas Act, Gas Calculation of Thermal Energy Regulations and GS(M)R would all need to be amended in addition to UNC
- Flow computers would need to be simultaneously reconfigured at:
 - NTS entry points
 - DN offtakes
 - NTS direct connects
- I&C metering devices that employ volume conversion devices or factors would require modification
- National Grid NTS does not propose to pursue this option further

Workgroup Alternative 2: Round the 0.999 factor to 1

- There is a difference between energy and capacity data quoted at 0/25 and 15/15
 - NG NTS' existing Transparency capacity data publication recognises this
- Draft INT Code text requires conversion either using actual gas composition or the factors in EN ISO 13443
- National Grid NTS therefore considers that this option would be non-compliant

Alternative NG NTS Option For Consideration

- Convert IP capacities and nominations instead of allocations
 - IP capacities converted to 0/25 for sale on PRISMA
 - Capacities booked on PRISMA converted to 15/15 when downloaded into Gemini
 - Shipper nominations at IPs submitted at 0/25
 - TSO-TSO matching of nominations at 0/25
 - Confirmed nominations (post matching) converted to 15/15 in Gemini
 - Allocations at 15/15 equal to the (converted) confirmed nomination

Alternative NG NTS Option: Initial Assessment



- Delivers compliance
- Provides for consistent treatment of energy and capacity figures
- Implications for Gemini require further assessment
- Need views on shipper impacts

Summary and Proposed Way Forward

- National Grid NTS preference is to seek a solution that is limited to the mandatory requirements (IPs only)
- Views sought today on the potential new option (i.e. converting IP capacities and nominations rather than allocations)
- National Grid NTS to further consider the new option, including implications for Gemini
- Comitology expected to provide certainty on reference conditions in late October
- UNC Mod to Nov/Dec 2014 Panel (if 0/25 is confirmed)

Tariff Code Stakeholder Consultation: Areas for Discussion

Slides to follow post ENTSOG meeting on 2nd September

3. UNC Modification Plans



cations nationalgrid

Phase 2 UNC Modifications Potential Timescales

EU Network Code	Area of change	Panel Submission	Workgroup Development	UNC Consultation
Gas Balancing (BAL)	Information Provision	March 2014	2 Months	July 2014
	SMP Buy & Sell	April 2014	1 Month	July 2014
	Nomination Process at IP's	April 2014	6 - 9 Months	Nov 2014
Capacity Allocation (CAM)	CAM / CMP Compliant Capacity Auctions	May 2014	6 - 9 Months	Q4 - 2014
Interoperability & Data Exchange (INT)	OBAs / allocations	August 2014	6 Months	Q1 - 2015
	Interconnection Agreements/Contract Changes (facilitating Modification)	Q1 - 2015	3 Months	Q2 - 2015
	Data Exchange	Q1 - 2015	3 Months	Q2 - 2015
	Units (reference conditions)	Q4 - 2014	3 months	Q1 - 2015

4. AOB



REMIT WORKSHOP - 24 October

24 Oct, 10:00 – 12:00 at ENA offices

Discussion topics:

- NG / Xoserve proposed solution to facilitate shippers reporting of secondary capacity trades
- The future of the NG inside information notifications website <u>https://www.remit.gb.net/</u>
- EIC codes facilitating GB only shippers access to EICs



Planned UK Link Downtime and the New Nominations Process at IPs

Phil Lucas EU Workgroup: 4th September 2014

Contents

- Introduction
- Renominations Existing UNC Provisions
- IP Renominations as proposed by Mod 0493
- EU Codes
- Options
- Options Analysis
- System Impacts
- Next steps

Introduction

- Existing UNC terms provide for "Planned UK Link Downtime"
- UNC TPD U 1.11

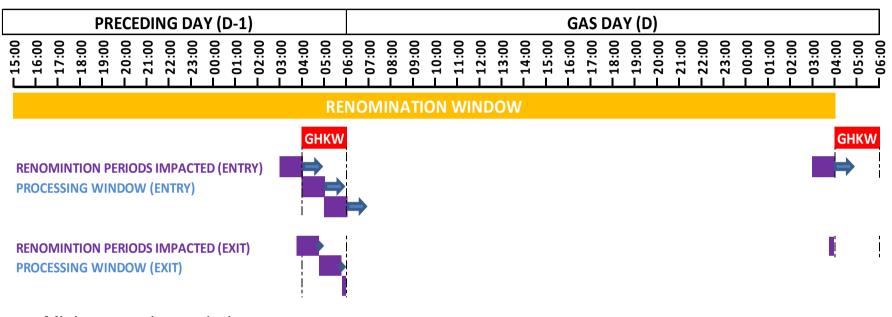
Planned UK Link downtime

- 1.11.1 To enable the Transporters to operate and maintain UK Link, on each Day and/or particular Days UK Link, or (where so specified in the UK Link Manual) particular parts of UK Link, will not be operational at certain times and for certain periods ("**planned UK Link downtime**") specified in or determined in accordance with the UK Link Manual.
- UK Link Manual IS Service Definition: Appendix 2

Performance Parameter	<i>Performance Period / Performance Levels</i>	Notes
Service availability: Gemini SIS Batch Transfer Communications	Monday - Saturday	Unavailability Monday - Saturday 1 hour between 0415 - 0545. Unavailability Sunday 0400 - 0600.
Communications	22 hours Sunday 99% of remaining time	Figures are exclusive of planned maintenance.

- Current unavailability window: Monday to Saturday: 04:15 to 05:15, Sunday: 04:00 to 06:00
- Post Mod 461 unavailability window: Monday to Saturday: 03:15 to 04:15, Sunday: 03:00 to 05:00

Renominations - Existing UNC Provisions

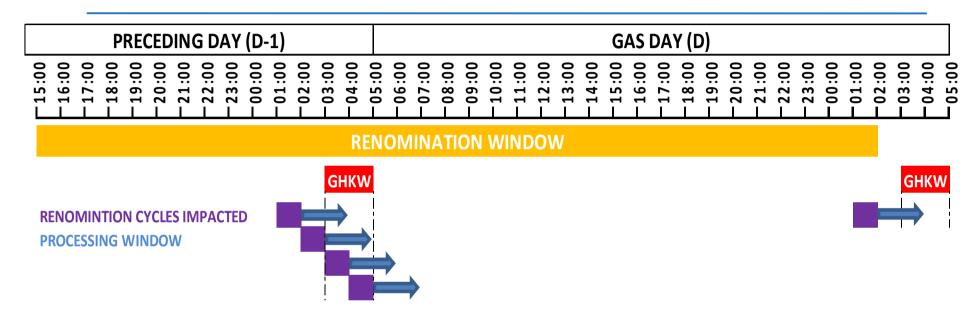


- Minimum notice periods
 - not less than <u>60 minutes for ENTRY AT AN IP</u> and not less than <u>15 minutes for EXIT AT AN IP</u>
- Monday to Saturday: Renomination Periods impacted
 - Entry: 03:01 05:15 (D-1), 03:01 04:00 (D)

Exit: 03:46 – 05:15 (D-1), 03:46 – 04:00 (D)

- Sunday: Renomination periods impacted
 - Entry: 03:01 06:00 (D-1), 03:01 04:00 (D)
- Exit: 03.46 06:00 (D-1), 03:46 04:00 (D)
- Overall availability over a week: Entry noms period: 91.5%, Exit availability Exit noms period: 95.3% 29

IP Renominations as proposed nationalgrid by Mod 0493



- Renomination period D-1 15:00 to 2:00 (38 hours), maximum 2 hours response timescale (Balancing Code)
- Renomination periods impacted (worst case reduces availability (over a week) to 88.5%)
 - Monday to Saturday:
 - 01:00 04.15 (D-1), 01:00 02:00 (D)
 - Sunday:
 - 01:00 05:00 (D-1), 01:00 02:00 (D)

EU Codes

- EU Balancing Code
 - Requires implementation by 1st Oct 2015
 - Includes provisions for a Renomination period
- Interoperability Code
 - In comitology Implementation likely to be required by April 2016
 - Comitology Version, Article 22(2)

"Each transmission system operator shall be responsible for ensuring the availability of its own system and shall:

(c) keep the downtime, as a consequence of planned IT maintenance, to a minimum and shall inform its counterparties in a timely manner, prior to the planned unavailability."

Interoperability Code permits outages but 'minimum' is open to interpretation

Options & Indicative Implementation Costs

- Option 1: Retain existing daily UK Link Downtime (£0)
- Option 2a: A routine planned outage for 2 hours plus non-routine extended outages as required (~£1m)
 - Routine outage would need to be determined
 - Weekly, monthly, bi-monthly (preferred option is likely to be Monthly). This would require less governance and also allow for forward planning compared to 2b
 - Exact day, time period
- Option 2b: Non-routine outages as required (~£1m)
 - Anticipated level of non-routine outage would be higher than for option 2A
- Option 3: 24/7 availability (~£2m)

Option Analysis

Option	Pros	Cons
Option 1: Do nothing	 No additional cost Consistent with existing GB regime - Renomination process at non IPs is reduced by daily outage INT Code recognises outages 	 Renomination Process at IP s availability reduced by daily outage Does a daily outage keep downtime "to a minimum"?
Option 2a: Routine outage (e.g. monthly) and non-routine outages as required	 Renomination Process availability increased (relative to option 1) Less frequent non routine outages (relative to option 2b) INT Code recognises outages Improved visibility and planning 	 Implementation cost ~£1m Routine outages still required (but less than in the case of Option 1)
Option 2b: Non-routine outages as required	 Renomination process availability increased (relative to option 1) No routine outages INT Code recognises outages 	 Implementation cost ~£1m More frequent non-routine outages (relative to option 2a) Outages less predictable for planning Greater amount of governance
Option 3: 24/7 availability	Maximum flexibility for UsersNo planned outages	 Implementation cost ~£2m Not mandated by Interoperability Code (above and beyond)

System Impacts

- In consultation with Xoserve, NG believe that to deliver increased system availability (via option 2 or 3) by Oct 2015 would require:
 - A project of at least 9 12 months costing an estimated £1m £2m, in an already congested implementation window
 - New infrastructure to be designed, procured and built (prior to the current EU Phase 2 implementation)
 - New phases of testing to be introduced into plan (e.g. operational performance, penetration testing) - would compress the time available for UAT of EU functional change
 - Additional regression testing required on non-EU functionality
 - The project Delivery would introduce a very significant risk of slipping the EU Phase 2 release beyond winter 2015
- For options 2a or 2b and 3 a Modification maybe be required and delivery dates would need to be after October 2015 (EU phase 3 or 4)

Next Steps

- Views sought on the options available to address this issue:
 - Continue planned UK Link downtime, which overrides renominations availability provisions (INT code supports this approach) either by:
 - Retaining existing UK Link Downtime (option 1); or
 - Introducing an enhancement to Gemini availability (options, 2a or 2b)
 - Option 3: 24/7 availability

Justification and funding would need to be fully considered

Appendix: nationalgrid Typical Maintenance Window Activities

Typical activities undertaken during the current maintenance window Data fixes Project deployments, including PIS Deployments Monthly application deployments Annual Gemini disaster recovery test Configuration changes Clock changes Patching Re-booting servers Failovers Table archival Table analysis SSL Certificate updates Infrastructure maintenance, e.g. table space rebuild