nationalgrid

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National Gas Emergency Service - 0800 111 999* (24hrs) *calls will be recorded and may be monitored

To all UNC Shippers

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10th March 2015

Dear Colleagues,

EU Interoperability Network Code: Common Units and the Moffat IP

The Network Code on Interoperability and Data Exchange Rules ("the Interoperability Code") was approved by Member State representatives at its second comitology meeting on 4th November 2014. It is expected to complete its passage into EU law in spring 2015, with TSOs being required to be compliant with its terms by 1st May 2016.

I write with reference to our discussion at the EU Workgroup meeting on 5th March 2015 and in relation to Chapter III of the Interoperability Code (appended to this letter) which requires TSOs to use common units for certain processes established by the EU Codes. As you may be aware, GB and Ireland Member State representatives successfully argued at the Interoperability comitology meetings that the use of the common reference temperatures of 0°C for volume and 25°C for combustion ("0/25") should not apply in relation to the Moffat interconnection point because the GB, RoI and NI regimes all currently operate to 15°C for volume and 15°C for CV ("15/15"), and therefore there is no 'interoperability issue' to resolve.

This resulted in the inclusion of new text, Article 13(3), which in our view permits the continuation of the use of 15/15 reference temperatures at the Moffat IP, provided that Premier Transmission Limited, Gas Networks Ireland and National Grid NTS have each obtained the agreement of their shippers and, subsequently, Ofgem and the NI and RoI regulators have given their consent.

The GB, RoI and NI TSOs and regulators have agreed that a 15 day window should be provided for GB, RoI and NI shippers during which time any objections to continuing with 15/15 conditions in respect of the Moffat IP could be raised. Therefore, by this letter, <u>UNC shippers are invited to</u> register any such objection in writing to philip.hobbins@nationalgrid.com by no later than <u>Wednesday 25th March 2015</u>. In the event that no UNC shipper has registered such an objection by this date, and that RoI and NI shippers do not register such objections with their TSOs in a similar time period, a joint TSO letter will be sent to the three regulators in late March which makes reference to this and seeks regulatory approval pursuant to Article 13(3) of the Interoperability Code to continue to use reference temperatures of 15/15 for capacity, nomination and allocation purposes at the Moffat IP.

Yours faithfully

[by e-mail]

Phil Hobbins National Grid NTS

Appendix 1 – Units Chapter in the Interoperability Code

CHAPTER III - Units

Article 13 Common set of units

- 1. Each transmission system operator 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.
- 2. For the parameters of pressure, temperature, volume, gross calorific value, energy, and Wobbe-index the transmission system operators shall use:
 - (a) pressure: bar (b) temperature: °C (degree Celsius) m³ (c) volume: gross calorific value (GCV): kWh/m³ (d) (e) energy: kWh (based on GCV) kWh/m³ (based on GCV) (f) Wobbe-index:

For pressure, the transmission system operators shall indicate whether it refers to absolute pressure (bar (a)) or gauge pressure (bar (g)).

The reference conditions for volume shall be 0°C and 1.01325 bar(a). For GCV, energy and Wobbe-index the default combustion reference temperature shall be 25°C.

Whenever transmission system operators communicate data on the volume, GCV, energy and Wobbe-index, they shall specify under which reference conditions these values were calculated.

3. In cases where one Member State is connected to only one other Member State, the adjacent transmission system operators and the parties they communicate with may agree to continue to use other reference conditions for data exchange in connection with Regulation (EC) No 715/2009, subject to the approval of their national regulatory authorities.

Article 14 Additional units

The transmission system operators and the parties they communicate with in connection with Regulation (EC) No 715/2009 may agree to use, in addition to the common set of units, additional units or reference conditions for data exchange or data publication. In such a situation conversion between reference conditions shall be done on the basis of the actual gas composition. If the relevant gas composition data is not available, the conversion factors used shall be consistent with the Annex based on EN ISO 13443 "Natural gas – Standard reference conditions" in the version applicable at the time.