

Representation - Draft Modification Report 0581S

Amending the Oxygen content limit specified in the Network Entry Agreements at Grain LNG

Responses invited by: **5pm 13 May 2016**

To: enquiries@gasgovernance.co.uk

Representative:	Richard Fairholme
Organisation:	Uniper UK
Date of Representation:	10 May 2016
Support or oppose implementation?	Support
Relevant Objective:	d) (i) Positive d) (ii) Positive d) (iii) Positive

Reason for support/opposition: Please summarise (in one paragraph) the key reason(s)

We support this proposal, which we consider will help secure GB gas supplies, particularly in light of the increasingly diverse sources of global LNG. Increasing the Oxygen limit within the three NEAs will allow gas to come to the UK, which would otherwise be “locked out” - either due to the prohibitive cost of blending to meet existing National Grid requirements - or simply sent elsewhere in Europe, where it can already be accepted into the system without blending. Given that the proposed increase is within G(S)MR standards and is at the lower end of existing Oxygen limits set in other NEAs, we do not foresee any commercial or safety issues arising from implementation of this proposal. We note, however, that if there are further increases in oxygen limits across the NTS, then there will be a need to consider in greater depth, how this might impact specific end users, such as gas storage and CCGTs.

Self-Governance Statement: *Please provide your views on the self-governance statement.*

We agree with the Proposer.

Implementation: *What lead-time do you wish to see prior to implementation and why?*

As soon as possible.

Impacts and Costs: *What analysis, development and ongoing costs would you face?*

None anticipated, although non-implementation could result in additional (perhaps prohibitive) blending costs for Shippers seeking to bring in gas at this terminal in future.

In addition, as noted above, if there are further increases in oxygen limits across the NTS, then there will be a need to consider in greater depth, how this might impact specific end users, such as gas storage and CCGTs.

Are there any errors or omissions in this Modification Report that you think should be taken into account? *Include details of any impacts/costs to your organisation that are directly related to this.*

No.

Please provide below any additional analysis or information to support your representation

No.