

Representation - Draft Modification Report UNC 0645S

Amending the oxygen content limit in the Network Entry Agreement at South Hook LNG

Responses invited by: **5pm on 27 April 2018**

To: enquiries@gasgovernance.co.uk

Representative:	Phil Hobbins
Organisation:	National Grid
Date of Representation:	20 th April 2018
Support or oppose implementation?	Support
Relevant Objective:	d) Positive

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

We support implementation of this Modification because we believe that it will help facilitate a level playing field for shippers delivering LNG regas to the NTS, help South Hook LNG manage an operational gas quality processing risk and potentially facilitate GB market access to a wider range of gas. From the Workgroup discussions, we believe that these benefits can be achieved without presenting any material risks to the integrity of the NTS or to other GB market participants.

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

We agree that this Modification should be self-governance.

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

We support the implementation plan suggested by the Proposer.

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

We would need to execute a change to the South Hook LNG Network Entry Agreement (NEA) and may need to re-range telemetry signals, both of which are relatively straightforward activities. We would also be obliged to notify all Users of the effective date of the NEA change pursuant to UNC TPD section I2.2.6(a).

Legal Text: Are you satisfied that the legal text will deliver the intent of the Solution?

No UNC text is required.

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.*

With reference to section 3 of the draft modification report, we believe that there is an error in the Consumer Impact Assessment on page 15 in the answer to the question “When will these costs/benefits impact upon consumers?”, thus:

*“After the UNC Modification Panel decision, the NEA can be modified. Once this is in place, the risk of an oxygen **incomplete combustion factor (ICF)** breach will be reduced, and therefore reduce the likelihood of being unable to deliver gas to consumers.”*

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

We have no further comments in respect of this Modification.