

Exec Summary | 0867: Gas Demand Side Response (DSR) Aggregation Arrangements

Agenda Item	Key Messages
Purpose of modification	<ul style="list-style-type: none">• Introduce a new “aggregator” into the DSR Market who can group demand from DM (Class 1 and 2 non-domestic) Consumers and offer it to NGT as one DSR Reduction Quantity• Introduce reforms to allow aggregators to participate in the annual DSR options tender and to allow NGT to accept / reject bids from them• Allow NGT to issue payments (option / exercise) and penalty charges to aggregators via the CDSP• Introduce standard conditions of contract between NGT and aggregators• Amend current arrangements to include aggregators option / exercise payments to be funded by Energy Balancing Neutrality
Impacted parties	<ul style="list-style-type: none">▪ High: Large Industrial and Commercial Consumers, NGT, Shippers▪ Low: GDNs, iGTs
How does this modification achieve its purpose and the relevant objectives?	<ul style="list-style-type: none">▪ This Modification seeks to enable greater participation in gas DSR arrangements than would otherwise be the case, which can help mitigate the risk of a network gas supply emergency and is therefore beneficial for the following relevant objectives:▪ (a) efficient and economic operation of the pipe-line system▪ (b) coordinated, efficient and economic operation of (i) the combined pipe-line system, and/or (ii) the pipeline system of one or more other relevant gas transporters.
Consumer benefit	<ul style="list-style-type: none">▪ Positive impacts are expected in the following areas: improved safety and reliability, lower bills than would otherwise be the case, improved quality of service and benefits for society as a whole.
Governance	<ul style="list-style-type: none">▪ This Modification has been submitted seeking Authority Direction
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