Workgroup 0859S Minutes Reintroduction of the enhanced pressure service and increased MNEPOR for BBLC (as introduced by UNC0814)

Thursday 02 November 2023

via Microsoft Teams

Attendees		
Eric Fowler (Chair)	(EF)	Joint Office
Helen Cuin (Secretary)	(HCu)	Joint Office
Adam Bates	(Aba)	SEFE Market and Trading
Alex Barnes	(AB)	On behalf of WatersWye Associates
Alex Nield	(AN)	Storengy UK
Amy Howarth	(AH)	Storengy UK
Anna Shrigley	(AS)	ENI
Antony Miller	(AM)	South Hook Gas
Carlos Aguirre	(CA)	Pavilion Energy
Chimaobi Maduka	(CM)	Procode
Chris Wright	(CWr)	Exxon Mobil
Conor McClarin	(CM)	National Gas Transmission (NGT)
David Mitchell	(MD)	SGN
Eddie Allard	(EA)	Cadent (from 12:00)
Ellie Rogers	(ER)	Xoserve (from 12:30)
Gavin Williams	(GW)	National Gas Transmission
Georgie Price	(GP)	Ofgem
Hannah Reddy	(HR)	Corella on behalf of Xoserve
Harmandeep Kaur	(HK)	Joint Office
James Lomax	(JLo)	Cornwall Insight
Jonathan Roche	(JR)	Organisation not confirmed (from 12:30)
Joseph Leggett	(JL)	Interconnector
Julie Cox	(JCo)	Energy UK
Kathryn Adeseye	(KA)	Xoserve
Lauren Jauss	(LJa)	RWE
Mariachiara Zennaro	(MZ)	Centrica
Malcolm Montgomery	(MM)	National Gas Transmission
Marina Papathoma	(MP)	WWU (from 12:00)
Marion Joste	(MJ)	ENI
Mathew Chandy	(MC)	Ofgem
Matthew Newman	(MN)	National Gas Transmission
Paul O'Toole	(POT)	Northern Gas Networks
Phil Lucas	(PL)	National Gas Transmission
Rebecca Steventon	(RS)	Energy Security (from 13:15)
Richard Fairholme	(RF)	Uniper
Ritchard Hewitt	(RHe)	Hewitt Home Energy Solutions
Ronan Haas	(RH)	National Gas Transmission

Shiv Singh	(SS)	Cadent
Stephen Huang	(SH)	Castel Commodities UK
Steve Mulinganie	(SM)	SEFE Energy
Terry Burke	(TB)	Equinor

The Workgroup Report is due to be presented at the UNC Modification Panel by 16 November 2023

This Workgroup meeting will be considered quorate provided at least two Transporter and two Shipper User representatives are present.

Please note these minutes do not replicate/include detailed content provided within the presentation slides, therefore it is recommended that the published presentation material is reviewed in conjunction with these minutes. Copies of all papers are available at: https://www.gasgovernance.co.uk/0859/021123

1.0 Outline of Modification

EF advised the Workgroup that this Modification Proposal had been presented as a premodification in September and that National Gas Transmission (NGT) had then reflected on the feedback before submitting it to the UNC Modification Panel in October. The Modification Panel rejected NGT's request for it to go straight to consultation but instead directed it to Workgroup for 1 month with instructions that the debate should concentrate on any new features and not revisit the facts established during the Authority's decision on Modification 0814.

Matt Newman (MN) introduced the Modification explaining that the purpose of the Modification is to enable an extension of the temporary arrangements introduced via UNC0814 (which ended on 30 September 2023) which permits BBLC to increase their export capabilities at the Bacton IP temporarily by gaining access to the enhanced pressure service and increasing their Maximum Network Exit Point Offtake Rate (MNEPOR) until 31 December 2024. National Gas Transmission believed it was prudent to progress with a time-limited solution before considering an enduring solution.

An introductory presentation was provided. Please refer to the Modification published at: https://www.gasgovernance.co.uk/0859

MN advised that the aim was to support gas flows into Europe. The time to undertake the operational analysis was restricted therefore time limiting the Modification was considered to be a desirable approach. Additional analysis has been included with this Modification which identifies the velocity impacts and any associated risks.

MN clarified that the Modification will allow BBL to request enhanced pressure, but it does not guarantee that NGT can provide the pressure.

The Workgroup considered contaminated gas being a potential issue and whether any changes to the investment model or security of supply risk mitigation should have Authority oversight. MN provided a view of the integrity considerations to deal with pipeline dust. MN clarified this forms part of the normal business as usual (BAU) risk management by the GSO.

It was noted that National Gas Transmission (NGT) need to demonstrate prudence and that the risk management processes around assessing a request does not force NGT to provide enhanced pressure.

EF emphasised that the gas-quality obligations resting on NGT were explicitly identified by Ofgem in its decision on Modification 0814. NM confirmed that NGT would make an assessment in accordance with its statutory and licence conditions, and that the assessment would consider the network conditions and configuration on that day before agreeing to a request for the service.

The Workgroup reviewed the Panel questions and concluded the Workgroup Report.

2.0 Initial Discussion

2.1. Issues and Questions from Panel

Q1. Is an enduring solution required?

NGT believed it was prudent to progress with a time-limited solution before considering an enduring solution. NGT did not believe an enduring solution was appropriate at this stage.

Q2. Workgroup to consider the appropriate Governance route.

The Workgroup considered whether this Modification should go to the Authority for a decision. The Workgroup reviewed the Panel vote noting from the 14 members, 8 voted in favour of Self-Governance with 6 not in favour. It was noted that whilst the Workgroup may endorse the Proposer's view that the Modification can be processed under Self-Governance procedures, Ofgem has authority to 'call-in' a Modification and thus change the governance procedures being followed.

The Workgroup did not reach a consensus on the Governance route.

2.2. Initial Representations

It was noted that Joseph Leggett (JL) made a verbal representation when the Proposal was considered at the pre-modification stage and EF agreed to include the report of that representation as captured in the Transmission Workgroup minutes within the Workgroup Report.

2.3. Terms of Reference

As matters have been referred from Panel a specific Terms of Reference will be published alongside the Modification at www.gasgovernance.co.uk/0859

3.0 Next Steps

The concluded Workgroup Report will be submitted to the November UNC Modification Panel.

4.0 Any Other Business

None.

5.0 Diary Planning

Further details of planned meetings are available at: www.gasgovernance.co.uk/events-calendar/month No further meetings are planned.