

Representation - Draft Modification Report UNC 0712S

Amending the oxygen content limit in the Network Entry Agreement (NEA) at the St Fergus SAGE plant

Responses invited by: 5pm on 19 March 2020

To: enquiries@gasgovernance.co.uk

Please note submission of your representation confirms your consent for publication/circulation.

Representative:	Angela Fletcher
Organisation:	Ancala Midstream Acquisitions Limited (“AMAL”)
Date of Representation:	11 th March 2020
Support or oppose implementation?	Support/Oppose/Qualified Support/Comments * <i>delete as appropriate</i> Support
Relevant Objective:	d) Positive/Negative/None * <i>delete as appropriate</i> Positive

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

AMAL support the proposed UNC modification to enable additional gas volumes from Norway to be delivered into the National Transmission System (NTS) from the SAGE Terminal, promoting competition in the gas market and enhancing security of supply for the UK.

The UNC modification will not be required if changes proposed by IGEM to the Gas Safety (Management) Regulations 1996 (GSMR) specification for the NTS are implemented.

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

All prior UNC Modifications relating to oxygen content have been self-governed. For reasons of consistency this UNC modification should be dealt with in the same way.

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

Implementation should occur on a timely basis following approval of the UNC modification.

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

Additional equipment will be installed at the SAGE Terminal to ballast Norwegian gas volumes with nitrogen required to meet the ICF limit in the NTS entry specification. The selected technical solution, pressure swing absorption units, produce gaseous nitrogen from air. The nitrogen is between 99 to 99.5% pure. Limited oxygen carryover will result necessitating the UNC Modification.

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

Yes

Modification Panel Members have requested that the following questions are addressed:

Q1: Please provide clear views and supporting evidence on the self-governance status of this modification focusing, in particular, on whether this proposal is likely to have a material impact upon competition in the shipping, transportation or supply of gas.

Analysis of the proposed UNC Modification on a standalone and aggregated basis indicates that the impact of this proposal will not be material. On an aggregated basis oxygen within the NTS remains within the GSMR limit. AMAL support the representation made by National Grid that the proposal is unlikely to be material. The current proposal is at a lower level of oxygen than previous modifications.

Q2: Respondents to provide a view as to whether or not this modification should be [re]designated as self-governance.

Self-governance is supported.

Q3: Please provide your views on the self-governance status.

AMAL support self-governance.

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

None.