<u>Draft Modification Report</u> <u>Additional Data Requirements for DM Capacity Referrals</u> Modification Reference Number 0047

Version 10

This Draft Modification Report is made pursuant to Rule 7.3 of the Modification Rules and follows the format required under Rule 9.6.

1. The Modification Proposal

Pursuant to Uniform Network Code (UNC) section G5.1.3, a User is able to apply for revision of (by increasing or decreasing) Registered DM Supply Point Capacity. Such requests are in all cases directed to the relevant Gas Distribution Network or National Grid Transmission for assessment.

In addressing such requests, a number of Gas Distribution Networks have experienced difficulty. This is due to the fact that the UNC requires that Users provide limited data with respect to the 'site' at which a revision to capacity is required.

Currently, the UNC requires Users to provide;

The Supply Point Confirmation Reference number,

One Meter Point Reference ('M') Number relevant to the Supply Point for which a capacity revision is being sought,

The requested revised capacities (daily and hourly), and

The requested date of commencement for the revised capacities.

The non-specific nature of the second item (above) creates uncertainty for relevant Transporters where a 'multi metered' Supply Point is encountered. Given that the User is not required to provide the 'M' number relevant to the capacity request, on occasions, Transporters are unable to identify the meter where an increase in capacity is required.

It has been identified that to increase the efficiency of the Transporters response with respect to the sustainability of the capacity revision, there is a requirement for additional 'site specific' data. Transco believes provision of such data would facilitate the efficiency with which Relevant Transporters are able to process capacity referrals (potentially avoiding the need for 'on site' visits) and would increase confidence in the accuracy and timeliness of the response.

Consequently it is proposed to amend the UNC to reflect that the following additional data items are required by Transporters in order to address a Capacity Revision Application (pursuant to UNC section G5.1.4):

Proposed Annual Quantity

Intention or otherwise to install a compressor or booster
Meter Point Reference for increased load (replacing the existing requirement:
"One Meter Point Reference ('M') Number relevant to the Supply Point for which a capacity revision is being sought"),

Shipper contact details (name, telephone, e-mail)

Additionally, it is proposed to modify the UNC to reflect that when considering a Capacity Revision Application, Transporters may reasonably request any additional information from the following list in order to assess the application:

Information for other Meter Points impacted by the request for increased capacity, including meter points where the load may have reduced. Proposed Load profile (annual and daily)
Phasing of development

It is also proposed to modify the UNC to establish the circumstances under which Transporters may reject a referral request – specifically where the above data items (including those additionally requested) are not provided.

In the event that it is necessary for the Transporter to assess the feasibility of making gas available for offtake (requiring a notice period of 21 Business Days), it is proposed that the Transporter be required to provide a response to the User (in accordance with UNC Principal Document G5.1.7 or G5.1.8) by the end of the 18th Business day following submission of the Capacity Revision Application.

It is proposed that where requested by the Transporter, the User will facilitate procurement of permission and access for the transporter to visit the consumers premises to establish any information required to address the request for increased capacity.

2. Extent to which implementation of the proposed modification would better facilitate the relevant objectives

The proposer believes that the measures identified within this Modification Proposal further the GT Licence 'relevant objectives' of facilitating 'the efficient and economic operation of the pipe-line system to which this licence relates' and 'the coordinated, efficient and economic operation of the combined pipe-line system and/or the pipe-line system of one or more other relevant gas transporters'. The proposer suggests that this is achieved by seeking to ensure that relevant Transporters are furnished with all the required data in order to assess requests for revised capacity at relevant Meter Points in a timely manner.

3. The implications of implementing the Modification Proposal on security of supply, operation of the Total System and industry fragmentation

No such implications have been identified.

4. The implications for Transporters and each Transporter of implementing the Modification Proposal, including

a) implications for operation of the System:

It is anticipated that provision of additional specific information within the Capacity Revision Application will reduce the reliance on assumptions (in addressing the application) and will afford the Transporter an understanding of

how the additional load will be offtaken (for instance stepped increases over a period of time following approval).

b) development and capital cost and operating cost implications:

No such implications have been identified.

c) extent to which it is appropriate to recover the costs, and proposal for the most appropriate way to recover the costs:

No such cost recovery is proposed.

d) analysis of the consequences (if any) this proposal would have on price regulation:

No such consequences have been identified.

5. The consequence of implementing the Modification Proposal on the level of contractual risk of each Transporter under the Code as modified by the Modification Proposal

The incorporation of a requirement for a Transporter's response within a defined timescale will create a new contractual obligation for Transporters.

6. The high level indication of the areas of the UK Link System likely to be affected, together with the development implications and other implications for the UK Link Systems and related computer systems of each Transporter and Users

No such implications have been identified.

7. The implications of implementing the Modification Proposal for Users, including administrative and operational costs and level of contractual risk

Users will be required to provide additional data within the initial Capacity Revision Application though within the existing process it is likely that a Transporter will request some or all of such data in an ad-hoc request.

8. The implications of implementing the Modification Proposal for Terminal Operators, Consumers, Connected System Operators, Suppliers, producers and, any Non Code Party

Suppliers and consumers may be required to provide additional information to the User in the first instance to enable the User to comply with the information requirements for a Capacity Revision Application.

9. Consequences on the legislative and regulatory obligations and contractual relationships of each Transporter and each User and Non Code Party of implementing the Modification Proposal

No such consequences have been identified.

10. Analysis of any advantages or disadvantages of implementation of the Modification Proposal

Advantages:

Ensures that the Transporter has sufficient information to address the Capacity Revision Application in a timely manner.

Obliges Transporters to provide a response within a defined timescale.

Reduces reliance on assumptions.

Facilitates Transporters operation of the pipeline systems.

Reduces or eliminates requirement for Transporter to raise ad-hoc requests with Users for further information.

Disadvantages:

Users would be required to provide further information at instigation of the Application.

11. Summary of representations received (to the extent that the import of those representations are not reflected elsewhere in the Modification Report)

Representations are now invited.

12. The extent to which the implementation is required to enable each Transporter to facilitate compliance with safety or other legislation

Implementation of this Modification Proposal is not required to enable Transporters to facilitate compliance with safety or other legislation.

13. The extent to which the implementation is required having regard to any proposed change in the methodology established under paragraph 5 of Condition A4 or the statement furnished by each Transporter under paragraph 1 of Condition 4 of the Transporter's Licence

This proposal is not required to facilitate any such change.

14. Programme for works required as a consequence of implementing the Modification Proposal

The provision of the additional data by Users will not require changes to existing file formats or UK-Link system. Users would be required to provide data directly to networks or National Grid Transmission via e-mail or fax.

15. Proposed implementation timetable (including timetable for any necessary information systems changes)

This Proposal can be implemented with immediate effect (subject to the appropriate direction from the Authority).

16. Implications of implementing this Modification Proposal upon existing Code Standards of Service

No such implications upon existing standards have been identified.

17. Recommendation regarding implementation of this Modification Proposal and the number of votes of the Modification Panel

19. Text

TPD Section G5

Amend Paragraph 5.1.3 to read as follows:

"5.1.3 Subject to the provisions of this paragraph 5, the Registered User of a DM Supply Point Component may apply to reduce or increase its Registered DM Supply Point Capacity by making a Capacity Revision Application."

Amend Paragraph 5.1.4 (b) to read as follows:

"(b) the Supply Point Meter Reference Number of the DM Supply Meter Point, or (where there is more than one DM Supply Meter Point) the relevant DM Supply Meter Point, comprised in the Supply Point Component;"

Paragraph 5.1.4(c) remove "and".

After paragraph (d) add the following paragraphs:

- "(e) the proposed Annual Quantity for the DM Supply Meter Point, or (where there is more than one DM Supply Meter Point) the relevant DM Supply Meter Point, comprised in such Supply Point Component;
- (f) whether a Compressor or Booster will be installed in respect of such Supply Point Component; and
- (g) the identity of the relevant Registered User making the Capacity Revision Application and the telephone number and email address of its contact representative."

Amend paragraph 5.1.5 to read as follows:

- "5.1.5 The date under paragraph 5.1.4 (d) shall be:
- (a) except ... 5 Business days;
- (b) where ... 21 Business Days;

after the date upon which the application is submitted.

Add new paragraph 5.1.9 to read as follows:

"5.1.9 For the purposes of assessing the feasibility of making gas available for offtake, the Transporter may request the Registered User to provide any of the following information:

- (a) the amount, resulting from such increase, of any reduction in the Supply Point Capacity relating to any other DM Supply Meter Point (s) comprised in the DM Supply Point Component and the MPRN Number of such affected DM Supply Meter Point(s);
- (b) the proposed Annual Load Profile and Daily Load Profile;
- (c) the date from which the load profile is required;

and following such request the Registered User shall promptly provide the same to the Transporter.

Add new paragraph 5.1.10 to read as follows:

"5.1.10 Where it is necessary for the Transporter to assess the feasibility of making gas available for offtake in accordance with paragraph 5.1.5 (b), the Transporter will provide a response in accordance paragraph 5.1.7 or 5.1.8 no later than the 18th Business Day following the date of receipt of the Capacity Revision Application."

Add new paragraph 5.1.11 to read as follows:

"5.1.11 Where requested by the Transporter, for the purpose of enabling the Transporter to assess the Capacity Revision Application, the Registered User will promptly procure permission for the Transporter to visit the premises at which the DM Supply Meter Point is situated and access thereto.

Add new paragraph 5.1.12 to read as follows:

"5.1.12 Requests for information by the Transporter in accordance with paragraph 5.1.9 and provision of information by the Registered User in accordance with paragraph 5.1.4 (e), (f) and (g) and paragraph 5.1.9 (a),(b) and (c) shall be communicated by facsimile or email.

Add new paragraph 5.1.13 to read as follows:

"5.1.13 For the purposes of paragraph 5.1:

- (a) "Annual Load Profile" is the quantity (in MWh)of gas which it is anticipated will be offtaken at the DM Supply Point Component for each month of the Gas Year so as to show the within year variation of demand on a monthly basis.
- (b) "Booster" is a device (typically a centrifugal fan arrangement), located downstream of the outlet of the customer control valve, used to raise the pressure of gas by up to 200 mbar across the device.

- (c) "Compressor" is a device (typically a reciprocating or screw type arrangement), located downstream of the outlet of the customer control valve on the service pipe, used to raise the pressure of gas by up to 40 bar across the device.
- (d) "Daily Load Profile" is the rate (in kWh/hour) at which it is anticipated that gas will be offtaken at the DM Supply Point Component for each hour within the Day so as to show the within day variation of demand on an hourly basis."
- (e) "relevant DM Supply Meter Point" is:
 - (i) in the case of an application to increase capacity, the DM Supply Meter Point through which gas will be offtaken in respect of such increase,
 - (ii) where a decrease only is required (other than as a result of an increase at another DM Supply Meter Point comprised in the DM Supply Point Component) the DM Supply Meter Point through which gas will be offtaken in respect of such decrease;

UNC General Terms Section B, Paragraph 5.1

Paragraph 5.1.1 (d) delete "or"

Paragraph 5.1.1 (e) add "; or"

Add new sub paragraph (f) to read:

"(f) for the purposes of TPD Section G5.1.12 only, by such methods as set out therein."

Representations are now sought in respect of this Draft Report and prior to the Transporters finalising the Report

Joint Office of Gas Transporters

Subject Matter Expert sign off:
I confirm that I have prepared this modification report in accordance with the Modification Rules.
Signature:
Date :
Signed for and on behalf of Relevant Gas Transporters:
Tim Davis Chief Executive Joint Office of Gas Transporters
Chief Executive Joint Office of Gas Transporters
Chief Executive Joint Office of Gas Transporters Signature:
Chief Executive Joint Office of Gas Transporters