Joint Office of Gas Transporters

0074 : Clarification of requirement for flows at DN Offtakes on low demand days(Beverley Grubb(Scotia Gas Networks)For) v1.0

Representation For.0074

"Clarification of requirement for flows at DN Offtakes on low demand days" Version 1.0

Date of Communication: 02/03/2006

External Contact: Beverley Grubb (Scotia Gas Networks)

Slant: Comments

Strictly Confidential: No

Abstract

Modification Proposal 0074: Clarification of requirement for flows at DN Offtakes on low demand days

Thank you for providing SGN with the opportunity to comment on the above modification proposal. SGN supports this proposal.

The proposal seeks to amend the UNC TPD Section I 2.5.2 (b) (ii) to ensure consistency with clause 2.5.2 (a). This would mean that on "low demand days" DNs would be required to ensure that the offtake of gas across the LDZ is maintained at a single rate throughout the day. Currently there are inconsistencies between these two clauses in the UNC, with one specifying that the single rate is at offtake level, the other suggests it is at LDZ level. This has created some uncertainty. The proposed change would remove this uncertainty and ensure that all requests and operations are consistent with the intent of this section.

SGN agrees that it would not be safe, economic or efficient to require DNs to operate flat at all offtakes on "low demand days". SGN notes that this is not consistent with the way in which certain parts of the network have been planned and designed, particularly those with pressure controlled offtakes or minimal flexibility within their own network. A requirement to operate flat on "low demand days" at offtake level could create operational difficulties and inefficiencies for DNs. At the most extreme it could have implications for safety and security of supply and ultimately require significant investment in order to ensure DNs could comply. This would not facilitate the relevant objectives. Some of these operational difficulties or inefficiencies can be removed by applying the requirements at LDZ level, as this might allow DNs to make adjustments at other offtakes.

Whilst SGN supports this proposal, we do not agree with the suggestion that the above changes would "enable DNO Users to continue to operate their networks as they have done on previous years on low demand Days" or as "originally designed to do". Whilst this may be the case on some networks it is not the case on all. SGN has previously expressed concern that the low demand days provision could create operational difficulties or inefficiencies on some parts of the network. In recognition of these concerns clause 2.5.3 was inserted so that where the notice is given under 2.5.1 and the DNO believes that it could prejudice security of supply or the safe operation of the LDZ, the DNO and NTS would cooperate and agree alternative limits. SGN notes that the low demand day provision has never been required on any network since sale.

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SGN agrees that implementation should be prior to 1 April 2006, as this is the point at which such requirements could be triggered.

We hope these comments are helpful.

Yours sincerely

Beverley Grubb Commercial Manager Scotia Gas Networks