

Industry update from Ofgem – up to date as of 30 June 2020

UNC729 Applying a discount to the Revenue Recovery Charge at Storage Points: Urgency Application

On 24 June 2020, the Joint Office of Gas Transporters received a request that Uniform Network Code modification UNC729 'Applying a discount to the Revenue Recovery Charge at Storage Points' should be treated as 'urgent'. After considering the justification provided by the Proposer for this request, we have decided not to grant urgent status for UNC729. We assessed the request against the urgency criteria set out in Ofgem's published guidance, and consider that the urgency request is not justified against this criteria. In reaching our decision on urgency we have made no assessment of the substance of the proposed modification, and nothing in our decision letter below in any way fetters the discretion of the Authority in respect of UNC729 or any other modification proposal.

URL: <https://www.ofgem.gov.uk/publications-and-updates/unc729-applying-discount-revenue-recovery-charge-storage-points-urgency-application>

Ofgem information for energy licensees on coronavirus (COVID-19) response – 30 June update

In April 2020, we published information regarding the reprioritisation of our forward work programme to allow the industry to focus on their critical operations to keep consumers and staff safe. We have worked quickly and cooperatively with industry in responding to coronavirus (COVID-19) and said we would update on our expectations for industry at the end of June 2020, as we move to managing the next phase of COVID-19.

The page below outlines our updated expectations and information, including our forward work programme priorities to September 2020. We will continue to update this page as we continue to closely monitor the impact of COVID-19 on the industry's ability to meet its obligations and to engage with us on important regulatory reforms to protect consumers and drive forward decarbonisation.

URL: <https://www.ofgem.gov.uk/publications-and-updates/ofgem-information-energy-licensees-coronavirus-covid-19-response-30-june-update>

Authority decision on UNC726 'COVID-19 Liquidity Relief Scheme'

UNC726 'COVID-19 Liquidity Relief Scheme' for Shippers proposes to provide some relief to Shippers that are experiencing temporary COVID-19 related liquidity constraints by extending payment dates for some Gas Transportation invoices.

The Authority granted urgency status for this modification on 3 June 2020, and approved the modification on 23 June 2020. We concluded that the implementation of the modification proposal will better facilitate the achievement of the relevant objectives of the UNC, and directing that the modification be made is consistent with our principal objective and statutory duties.

URL: <https://www.ofgem.gov.uk/publications-and-updates/authority-decision-unc726-covid-19-liquidity-relief-scheme>

UNC727 Increasing the Storage Transmission Capacity Charge Discount to 80%: Urgency Application

On 5 June 2020, the Joint Office of Gas Transporters received a request from Storengy UK Ltd that Uniform Network Code modification UNC727 'Increasing the Storage Transmissions Capacity Charge Discount to 80%' should be treated as 'urgent' and proceed under a timetable approved by Ofgem.

Having assessed the request against the urgency criteria set out in Ofgem's published guidance, we decided to grant urgent status for UNC727 on 12 June 2020.

URL: <https://www.ofgem.gov.uk/publications-and-updates/unc727-increasing-storage-transmission-capacity-charge-discount-80-urgency-application>

UNC728A/B/C/D Introduction of a Conditional Discount for Avoiding Inefficient Bypass of the NTS: Urgency Application

On 9 June 2020, the Joint Office of Gas Transporters received a request from National Grid Gas Transmission that Uniform Network Code modification UNC728 'Increasing the Storage Transmission Capacity Charge Discount to 80%' should be treated as 'urgent' and proceed under a timetable approved by Ofgem. Four alternative proposals (UNC728A/B/C/D) were submitted to the JO on the same day.

Having assessed the request against the urgency criteria set out in Ofgem's published guidance, we decided to grant urgent status for UNC728A/B/C/D.

URL: <https://www.ofgem.gov.uk/publications-and-updates/unc728abcd-introduction-conditional-discount-avoiding-inefficient-bypass-nts-urgency-application>

Statutory Consultation on the proposed addition of a new exit point to National Grid Gas Plc (NTS) Gas Transporter Licence

On 12 June 2020, we published a statutory consultation proposing to modify Part F of Special Condition 5G (Determination of Incremental Obligated Exit Capacity volumes and the appropriate revenue drivers to apply and the creation of Zero Licence Baseline Capacity Exit Points) of National Grid Gas Plc's (NTS) Gas Transporter Licence.

The proposal is to add one new exit point, "Saltholme Power Station", to Table 8: Licence Baseline Exit Capacity, in Part F of Special Condition 5G. We are taking views on the issues raised in this statutory consultation before or on 10 July 2020 to: max.lambert@ofgem.gov.uk or alternatively Gas.TransmissionResponse@ofgem.gov.uk.

URL: <https://www.ofgem.gov.uk/publications-and-updates/statutory-consultation-proposed-addition-new-exit-point-national-grid-gas-plc-nts-gas-transporter-licence>

UNC721 'Shipper submitted AQ Corrections during COVID-19'

UNC721 sought to allow Gas Shipper to reduce the Annual Quantity for non-daily metered supply points, and thereby reduce the allocation of energy and transportation charges to those sites during the period the COVID-19 restrictions were in place.

We decided to reject this modification on 2 June 2020, and concluded that implementation of UNC721 would not better facilitate the achievement of the relevant objectives.

URL: <https://www.ofgem.gov.uk/publications-and-updates/unc721-shipper-submitted-aq-corrections-during-covid-19>