

CODE MODIFICATION PROPOSAL No.

"Exclusion of Domestic Load from stage three of the Firm Load Shedding Process"
Version 0.1

Date: 26/06/2006

Proposed Implementation Date:

Urgency

Proposer's preferred route through modification procedures and if applicable, justification for Urgency

This Modification Proposal has been developed within the Uniform Network Code (UNC) Distribution Workstream. General consensus on its objectives was forthcoming. 'Proceed to consultation' is therefore requested.

(see the criteria at http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/2752_Urgency_Criteria.pdf)

Nature and Purpose of Proposal (including consequence of non implementation)

The third stage of the Firm Load Shedding process is a one of a range of steps used by Transporters to reduce demand in the event of a Network or Local Gas Supply Emergency. Where this step is triggered, a Transporter will contact a consumer directly and request that it ceases the use of gas. This process may utilise any Supply Point classified as a Large Firm Supply Point, this being defined exclusively by usage volume – the Annual Quantity (AQ) must exceed 732,000kWh.

As a consequence of National Grid's exercise Minsk (to test the accuracy and effectiveness of firm load shedding contact information), it has been identified that there are a number of Supply Points where the gas is used for domestic purposes (for example district heating schemes) which also meet the Large Firm Supply Point definition.

A number of Users (supported by the Department of Trade and Industry) believe that domestic load should not be subject to the third stage of the Firm Load Shedding process. National Grid concurs with such view.

It is therefore proposed that the Uniform Network Code (UNC) be amended to reflect that for the purposes of the third stage of the Firm Load Shedding process, Large Firm Supply Points will exclude those designated as used for (or predominantly used for) domestic purposes. For such Supply Points, the Registered User would be required to warrant that the gas is being used for domestic purposes.

Basis upon which the Proposer considers that it will better facilitate the achievement of the Relevant Objectives, specified in Standard Special Condition A11.1 & 2 of the Gas Transporters Licence

National Grid (UKD) believes that the change proposed facilitates the relevant objective of the efficient and economic operation of the pipe-line system. This is achieved by

implementation of measures which seek to maintain supply to domestic consumers for as long as possible in an emergency.

Any further information (Optional), likely impact on systems, processes or procedures, Proposer's view on implementation timescales and suggested legal text Code Concerned, sections and paragraphs

In respect of implementation, in submitting Emergency Contact Information pursuant to UNC section Q2.3, the User would specify the first contact name as 'DOMESTIC' and the first contact telephone number as '00000000000'. The Transporter would not contact such sites during a Firm Load Shedding event. (Existing obligations to provide contact details would remain and therefore registered Users would be required to submit emergency contacts in the remaining fields – up to 4 contact names and up to 3 telephone numbers).

In light of implementation requirements, the Proposer believes that this Modification Proposal could be implemented with immediate effect upon direction being received from the Authority.

Proposed Legal Text

Q3.4 Demand-side steps

3.4.1 Where Emergency Steps include the reduction or discontinuance of offtake of gas at Firm as well as Interruptible Supply Points (in a Local Gas Supply Emergency or a Stage 3 Network Gas Supply Emergency), such steps will (insofar as is practicable and as may be required by Standard Special Condition A8(15) of the Transporter's Licence) be applied in the following order:

- a) first, at Interruptible Supply Points (insofar as offtake has not already been interrupted at such points);
- (b) secondly, at Supply Points, other than Priority Supply Points, which include VLDMC Supply Point Components;
- (c) thirdly, at other Large Firm Supply Points other than Priority Supply Points or where the Registered User warrants that the Supply Point is a domestic [or predominantly domestic] premises pursuant to Condition 16(12) of the Supplier Licence;
- (d) lastly, at Firm Supply Points (including for the avoidance of doubt Supply Points whose Annual Quantities do not exceed 73,200 kWh (2,500 therms)) and at Priority Supply Points.

Proposer's Representative

Chris Warner (National Grid)

Proposer

Phil Lawton (National Grid)

Signature

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