

GSOG suggestions on UNC Mod Proposal 373

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UNC Transmission Workstream

Agenda



- Objectives
- Current arrangements
- Concerns
- Proposal

Objectives



- **Map current arrangements**

- What are the processes a storage developer must complete to ensure a connection to the NTS? How do they interact each other?

- **Identify concerns**

- Why current NTS connection arrangements are not optimal for developing new storage facilities?

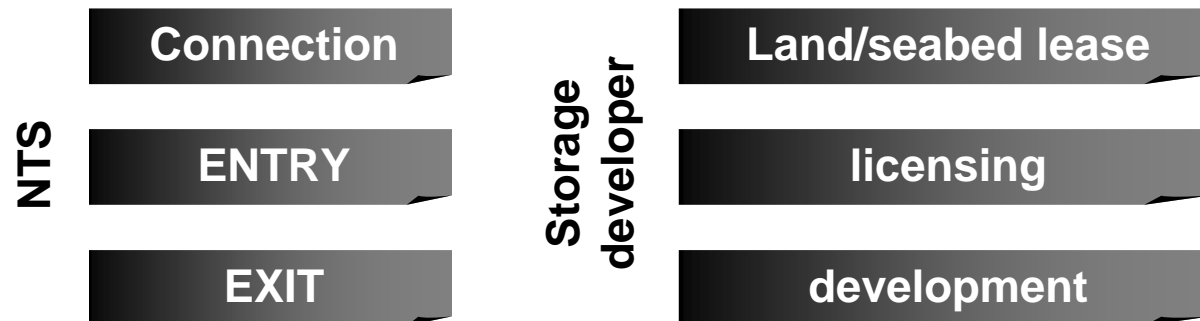
- **Proposal**

- How does the proposed Straw-man help to address the identified concerns on current arrangements?

Current arrangements



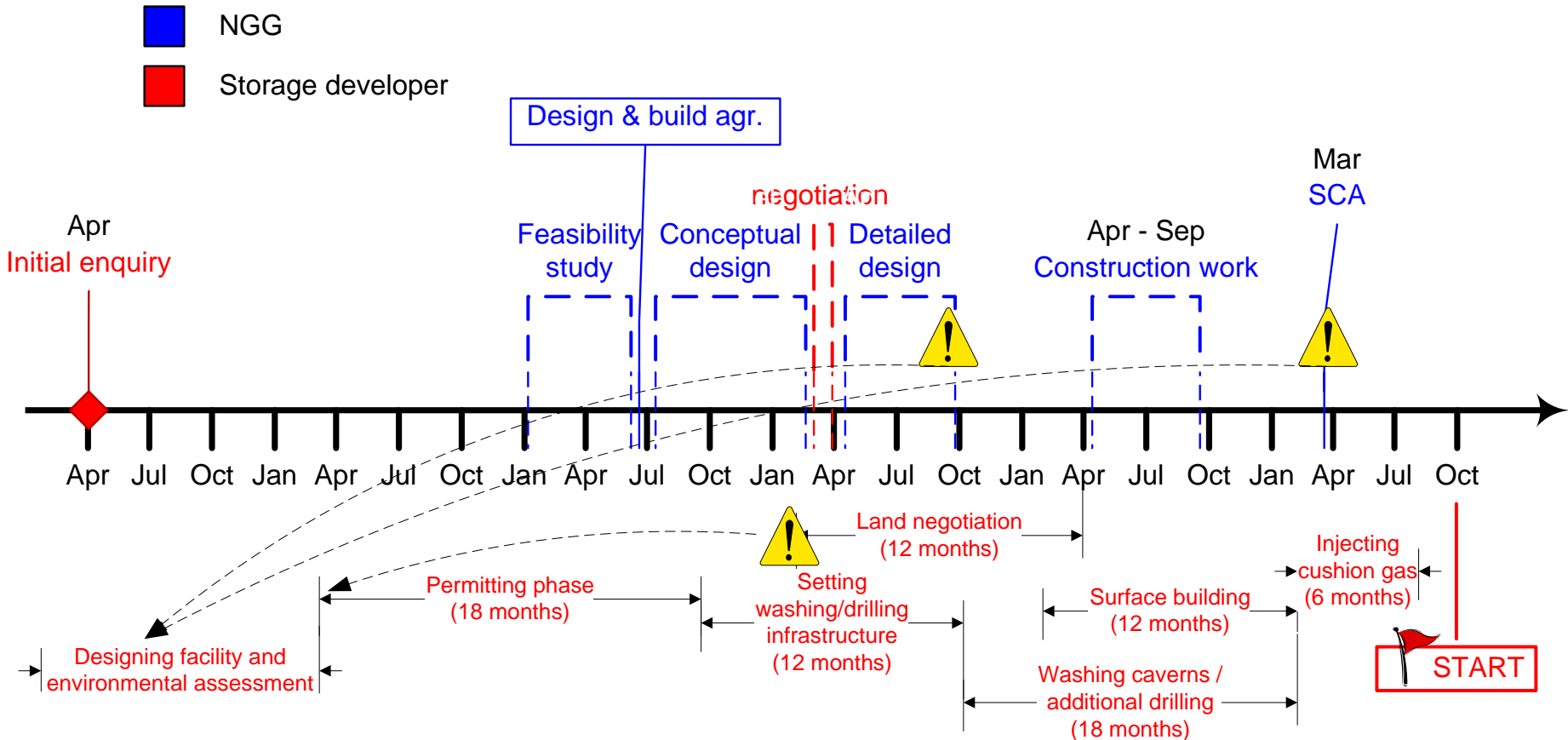
- **Map of processes**
- Comparing the timeline of each process that any storage developer must face in order to secure a connection to the NTS
- Six processes



- **Identify mismatches between timelines**

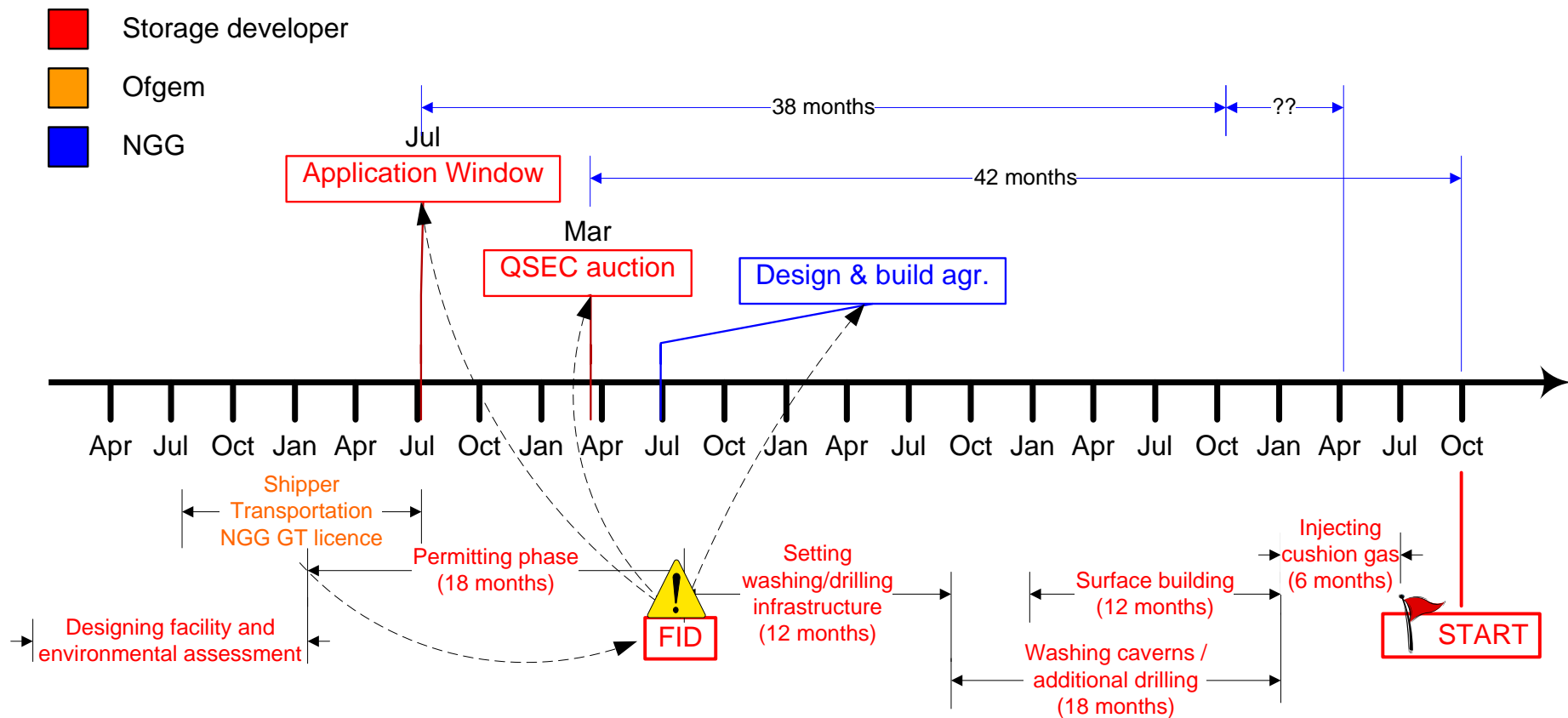
Concerns (1) – Information Transparency

- Need for additional clarity at earlier stages of the connection process (initial enquiry and feasibility study)
 - Location, Ramp rates, Gas quality



Concerns (2) – Key milestones & FID

- Some key milestones are unlikely to be triggered before the FID
 - Entry/Exit Capacity, DBA



- **Addressing concern (1)**

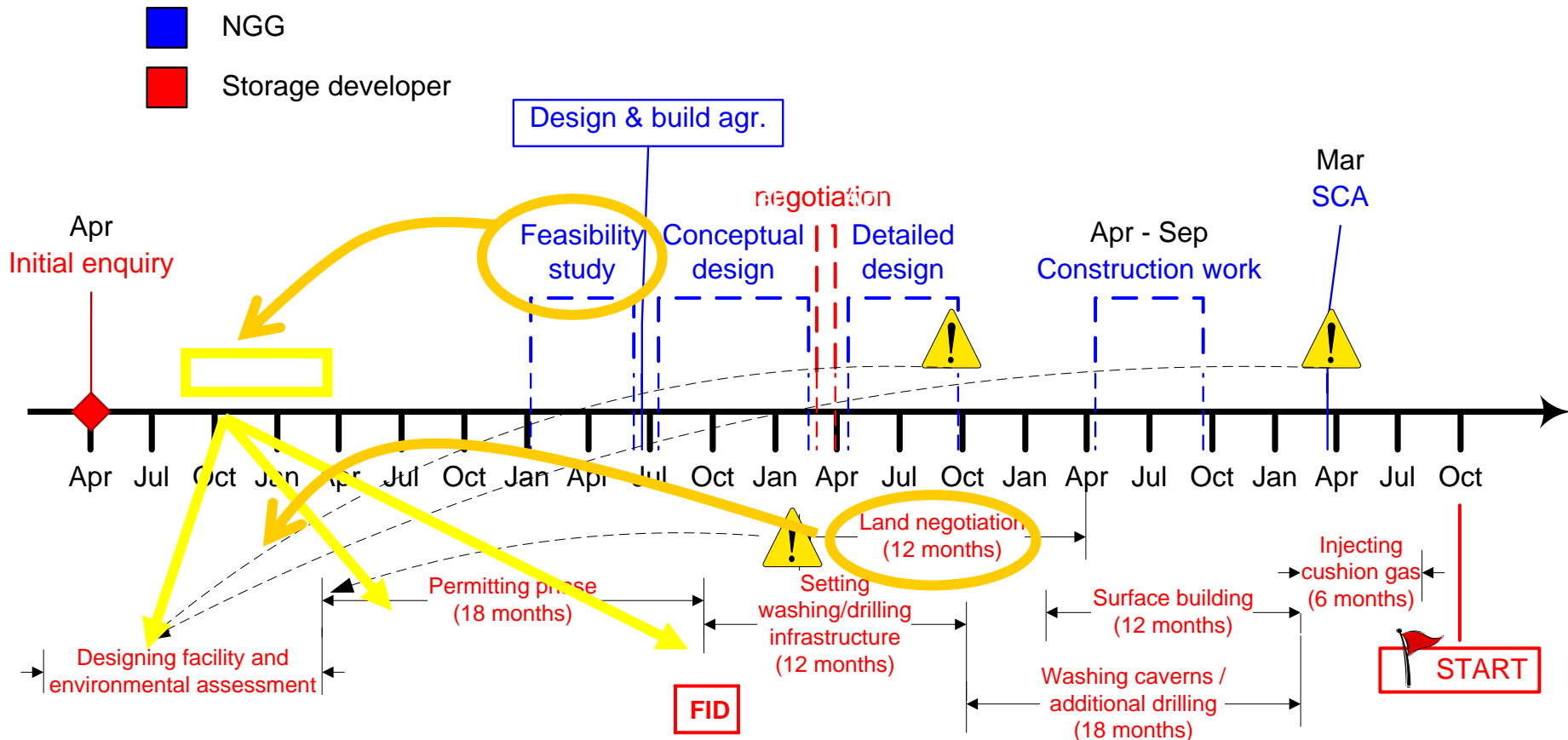
- The feasibility study shall be completed in advance, including:
 1. Indicative tech details (including Ramp Rates, Capacity and gas quality) when NTS reinforcement is/isn't necessary
 2. Timeline for applying to entry/exit capacity
 3. Indicative location of connection (< few metres)
 4. Indicative cost of the overall “connection package”
 5. Indication of eventual reinforcement of NTS
 6. Option for study to look at more than one connection location

- **Addressing concern (2)**

- The “feasibility report” shall include enough details to trigger the IPC, lease and licences processes – developer will not make FID until certainty on ramp rates, capacity, costs

Proposal

- Enhancing and moving backward the feasibility study
 - *to trigger* : pre-planning, land negotiations, permitting procedures
 - *to facilitate* : FID



Further concern



- **Given a formal governance of NTS Connection**
 - Keeping current lead times for releasing NTS commercial capacity
- **The overall timeline is too long**
 - + 3 years (NTS Capacity lead time)
 - + 3 years (IPC process and other licensing)
 - + 1 year of feasibility study
 - = 7 years from the initial enquiry
 - Need to consider shorter timescales for QSEQ auction from 42 months to 24 - 30 months for a min connection (NOT FULL CONNECTION)*
- **Capacity lead time shall be shorter**
 - All necessary studies (including indicative NTS reinforcements) have been carried out during the feasibility study
 - All planning risks stand on the developer

Q & A