

Proposed Code Mod 0553:



Removal of National Grid LNG Storage UNC TPD Section Z obligations and associated cross references

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Transmission Workgroup
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NG LNG Storage

Avonmouth Background



LNG Storage

- Section Z provides contracting arrangements for National Grid LNG Storage services
- Over 40+ years the topography of gas supplies and transportation networks have negated demand for LNG liquefaction, storage and peak shaving services.
- In the last 10 years Isle of Grain converted to an import terminal. Dynevor, Glenmavis and Partington closed.
- Post 2013 Avonmouth retained pending substitution by remaining customers
- Gas shippers no longer book LNG regas services.
- Following stakeholder consultation, Avonmouth closing 30 April 2016
- Liquefaction plant being decommissioned winter 15/16, and regas plant during summer 16.

Why change?



- Following systemic failures of the Injection plant, stakeholders' were consulted on accelerated closure of Avonmouth.
- Only credible option to minimise disruption to consumers through unplanned failure.
- 27 February 2015 confirmed that operational activity would cease on gas day 30 April 2016.
- **UNC TPD Section Z specifically relates to National Grid LNG Storage Facilities and will no longer be required or relevant**

Proposed Solution

- Remove in entirety Section Z: National Grid LNG Storage Facilities
- Remove any UNC TPD cross references to Section Z and legacy LNG Storage Facilities referenced in UNC
- Provide an explicit provision allowing National Grid LNG Storage to re-gasify residual volumes of Users' LNG after 30th April 2016
- Allocated to the customer whose gas was previously injected into storage in accordance with established principles. (NBP entry allocation)

Recommended Steps



The Proposer recommends that this modification should be **Self Governance** because:

- it is unlikely to have a material impact on competition in the shipping, transportation or supply of gas conveyed through pipes or any commercial activities connected with the shipping, transportation or supply of gas conveyed through pipes
- it is simply the mechanics to complete the necessary governance (removal Section Z and references to Section Z and National Grid LNG Storage) resulting from the consultation and previous announcement operational activity will cease at National Grid LNG Storage's last remaining facility, Avonmouth, on gas day 30 April 2016.