

UNC Modification	At what stage is this document in the process?
<h1>UNC 0786S:</h1> <h2>Amendment of the framework for the Bacton exit pressure service to interconnectors</h2>	<div style="display: flex; flex-direction: column; gap: 5px;"> <div style="border: 2px solid green; border-radius: 10px; padding: 5px; display: flex; align-items: center; gap: 5px;"> <span style="background-color: white; border: 1px solid green; border-radius: 50%; padding: 2px 5px;">01</span> <span style="background-color: green; color: white; padding: 2px 5px;">Modification</span> </div> <div style="border: 2px solid blue; border-radius: 10px; padding: 5px; display: flex; align-items: center; gap: 5px;"> <span style="background-color: white; border: 1px solid blue; border-radius: 50%; padding: 2px 5px;">02</span> <span style="background-color: lightblue; color: blue; padding: 2px 5px;">Workgroup Report</span> </div> <div style="border: 2px solid purple; border-radius: 10px; padding: 5px; display: flex; align-items: center; gap: 5px;"> <span style="background-color: white; border: 1px solid purple; border-radius: 50%; padding: 2px 5px;">03</span> <span style="background-color: lightpurple; color: purple; padding: 2px 5px;">Draft Modification Report</span> </div> <div style="border: 2px solid orange; border-radius: 10px; padding: 5px; display: flex; align-items: center; gap: 5px;"> <span style="background-color: white; border: 1px solid orange; border-radius: 50%; padding: 2px 5px;">04</span> <span style="background-color: lightorange; color: orange; padding: 2px 5px;">Final Modification Report</span> </div> </div>
<p><b>Purpose of Modification:</b></p> <p>This is an enabling modification which will allow National Grid to provide a revised and consistent pressure service to interconnectors off-taking gas at Bacton.</p>	
<p><b>Next Steps:</b></p> <p>The Proposer recommends that this Modification should be:</p> <ul style="list-style-type: none"> <li>subject to Self-Governance</li> <li>assessed by a Workgroup</li> </ul> <p>This Modification will be presented by the Proposer to the Panel on <b>21 October 2021</b>. The Panel will consider the Proposer's recommendation and determine the appropriate route.</p>	
<p><b>Impacted Parties:</b></p> <p>High: BBL; Interconnector Ltd.</p> <p>Low: National Grid; Shippers</p> <p>None:</p>	
<p><b>Impacted Codes:</b> None.</p>	

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Timetable		
<b>Modification timetable:</b>		
Pre-Modification Discussed	02 September 2021	
Date Modification Raised	12 September 2021	
New Modification to be considered by Panel	21 October 2021	
First Workgroup Meeting	04 November 2021	
Workgroup Report to be presented to Panel	20 January 2022	
Draft Modification Report issued for consultation	21 January 2022	
Consultation Close-out for representations	10 February 2022	
Final Modification Report available for Panel	11 February 2022	
Modification Panel decision	17 February 2022	

 Any questions?

Contact:  
**Joint Office of Gas Transporters**

 [enquiries@gasgovernance.co.uk](mailto:enquiries@gasgovernance.co.uk)

 0121 288 2107

Proposer:  
**Malcolm Montgomery**

 [Malcolm.montgomery@nationalgrid.com](mailto:Malcolm.montgomery@nationalgrid.com)

 telephone

Transporter:  
**National Grid Gas**

 [Malcolm.montgomery@nationalgrid.com](mailto:Malcolm.montgomery@nationalgrid.com)

 telephone

Systems Provider:  
**Xoserve**

 [UKLink@xoserve.com](mailto:UKLink@xoserve.com)

## 1 Summary

### What

The assured operating pressure at Bacton is 45 bar. There is currently a pressure service contained within the interconnection agreement (IA) between National Grid Gas (NGG) and Interconnector Limited (IL), that allows IL to request pressures above this level. Since the implementation of UNC Modification 675s, the BBL Interconnector has been able to receive and transport gas exported from the National Transmission System (NTS) at Bacton, however their IA contains no concept of a pressure service. This Modification Proposal is to provide the governance to amend the BBL and IL interconnection agreements, to provide a framework that enables National Grid to offer an amended pressure service in excess of 45 bar to either BBL and IL upon their request.

### Why

It is necessary that both BBL and IL have the option of accessing equivalent services from National Grid, and therefore an amended framework should be introduced that is consistent for both parties. The language around pressure and the pressure service will at the same time be simplified within the IL interconnection agreement.

### How

The pressure service agreement shall be amended and inserted into the BBL interconnection agreement. The IL interconnector agreement shall also be amended to reflect the new framework. This Modification Proposal provides the governance for the change in accordance with UNC European Interconnector Document (EID) A4.1.3(b). This states that 'National Grid NTS will not agree with the Adjacent TSO to amend the Relevant Interconnection Provisions in relation to an Interconnection Point except...pursuant to a Code Modification which authorises such agreement'.

## 2 Governance

### Justification for Self-Governance

This is a facilitating modification and requires no changes to the UNC, however the change is necessary to ensure a consistent service offering to both BBL and IL interconnectors. As the same framework is being offered to both interconnectors operating at Bacton then this proposal can be considered for self-governance.

### Requested Next Steps

This Modification should:

- be considered a non-material change and subject to Self-Governance.
- be assessed by a Workgroup.

## 3 Why Change?

The assured operating pressure at Bacton is 45 bar. There is currently a pressure service contained within the interconnection agreement between NGG and IL, that allows IL to request pressures above this level. Since the implementation of UNC Modification 675s, The BBL Interconnector has been able to receive and transport gas exported from the National Transmission System (NTS) at Bacton, however their IA contains no concept of

a pressure service. This Modification Proposal is to provide the governance to amend the BBL and IL interconnection agreements, to provide a framework that enables National Grid to offer a pressure service in excess of 45 bar to both BBL and IL upon their request.

A pressure service is of benefit to interconnectors by facilitating higher volumes of flow going through, and/or helping to operate the asset more effectively. It is necessary that both BBL and IL have the option of accessing equivalent services from National Grid.

No direct changes to the UNC are required, however where changes are made to the Relevant Interconnection Provisions within an Interconnection Agreement then the governance arrangements, as stated in EID A4.1.3, stipulate that a Code Modification is one route by which the change can be given effect.

## 4 Code Specific Matters

### Reference Documents

None.

### Knowledge/Skills

None.

## 5 Solution

To confirm: no changes to UNC text is required or proposed, but there will be changes to Relevant Provisions within the interconnection agreements for BBL and IL.

### Overview of changes to IAs (for info) between NG and Interconnector

ARIA 2021 Ref	Proposed Drafting Change	Comment
Annex B-1: General & Interpretation - para 2	Deletion of obsolete definitions and various updates.	Any terms related to pressure service charging are deleted as charging will now be covered in a separate charging agreement.
Annex B-3: Pressure - para 1.1 & 1.2	Deletion of references to charging clauses in the agreement.	Deletion of any reference to charges as will be covered in separate charging agreement, and deletion of other unnecessary terms.
Annex B-3 old paras 1.3 to 1.5	Deletion.	Considered no longer relevant for IA.
Annex B-3 para 2.2	Amended to clarify the Normal Offtake Pressure value.	

<b>ARIA 2021 Ref</b>	<b>Proposed Drafting Change</b>	<b>Comment</b>
Annex B-3 para 2.3	New drafting to clarify charging for pressure requested above 45barg.	To reflect revised service being offered to Interconnector and BBL.
Annex B-3 paras 3, 4 & 5	Minor amendments to reflect revised pressure service.	Note : deadline for pressure requests pushed back by 1 hour.

**between NG and BBL**

<b>Ref</b>	<b>Proposed Drafting Change</b>	<b>Comment</b>
Appendix 2 – Network Exit Provisions Part 2 para 4 Pressure	Replace paragraph 4 with new pressure arrangements	Addition of pressure service to BBL agreement

**6 Impacts & Other Considerations**

**Does this Modification impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?**

No.

**Consumer Impacts**

Slightly positive. This proposal facilitates a level playing field for the export of gas from the NTS through the interconnectors at Bacton, and so is of primary benefit to GB exporters rather to GB consumers. However, it is noted that there is a seasonal nature to the interconnector flow as they generally export over summer and import over winter, therefore gas ‘leaving’ the NTS over summer can be viewed as ‘returning’ to the NTS later in the year. It also gives suppliers to the NTS additional options which helps maintains the attractiveness of the GB market to new supply. Additional export capability should not therefore be seen as having a detrimental impact upon GB consumers, even if on a single gas day exports are seen to be higher.

**What is the current consumer experience and what would the new consumer experience be?**

As an arrangement between operators then there is no direct upon consumer experience.

<b>Impact of the change on Consumer Benefit Areas:</b>	
Area	Identified impact
Improved safety and reliability n/a	None
Lower bills than would otherwise be the case n/a	None
Reduced environmental damage n/a	None
Improved quality of service n/a	None
Benefits for society as a whole n/a	None

### Cross-Code Impacts

None.

### EU Code Impacts

None.

### Central Systems Impacts

None.

## 7 Relevant Objectives

<b>Impact of the Modification on the Transporters' Relevant Objectives:</b>	
Relevant Objective	Identified impact
a) Efficient and economic operation of the pipe-line system.	None
b) Coordinated, efficient and economic operation of (i) the combined pipe-line system, and/ or (ii) the pipe-line system of one or more other relevant gas transporters.	None
c) Efficient discharge of the licensee's obligations.	None
d) Securing of effective competition: (i) between relevant shippers;	Positive

(ii) between relevant suppliers; and/or (iii) between DN operators (who have entered into transportation arrangements with other relevant gas transporters) and relevant shippers.	
e) Provision of reasonable economic incentives for relevant suppliers to secure that the domestic customer supply security standards... are satisfied as respects the availability of gas to their domestic customers.	None
f) Promotion of efficiency in the implementation and administration of the Code.	None
g) Compliance with the Regulation and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators.	None

This Modification will provide a consistent service to BBL and IL shippers by ensuring that the operators of the respective pipelines are offered the same level of service by National Grid.

## 8 Implementation

As Self-Governance procedures are proposed, implementation could be sixteen business days after a Modification Panel decision to implement, subject to no Appeal being raised.

## 9 Legal Text

### Text Commentary

No changes to UNC

### Text

No changes to UNC, however a draft of the IA will be provided in a separate document.

## 10 Recommendations

### Proposer's Recommendation to Panel

Panel is asked to:

- Agree that Self-Governance procedures should apply.
- Refer this proposal to a Workgroup for assessment.