UNC Modification

At what stage is this document in the process?

UNC 0821:

Modification 02 Workgroup Report

Alignment of TPD Section I Licence Reference to the current National Grid Gas Licence.

- **Draft Modification** 03 Report
- Final Modification 04

Purpose of Modification:

This housekeeping Modification proposes to update a reference to National Grid's Gas Licence within UNC TPD Section I to align it to the National Grid Gas (NGG) Licence applicable from 01 April 2021.

Next Steps:

The Proposer recommends that this Modification should be:

subject to Fast Track Self-Governance

This Modification will be presented by the Proposer to the Panel on 15 September 2022. The Panel will consider the Proposer's recommendation and determine the appropriate route.

Impacted Parties:

All NTS Users

Impacted Codes:

UNC TPD Section I will be updated

Any Contents questions? 1 **Summary** 3 Contact: Joint Office of Gas 2 Governance 3 **Transporters** 3 Why Change? 3 **Code Specific Matters** 3 4 enquiries@gasgove rnance.co.uk **Solution** 4 5 **Impacts & Other Considerations** 4 0121 288 2107 7 **Relevant Objectives** 5 Proposer: **Ashley Adams Implementation** 6 8 **National Grid Legal Text** 9 6 10 Recommendations Ashley.Adams@nati onalgrid.com Timetable 07813996680 Transporter: The Proposer recommends the following timetable: **Colin Williams Pre-Modification Discussed** 01 September 2022 **Date Modification Raised** 05 September 2022 Colin.Williams@nati 15 September 2022 Modification considered by Panel onalgrid.com Modification Panel decision 15 September 2022 07785451776 Systems Provider: **Xoserve** UKLink@xoserve.c

<u>om</u>

1 Summary

What

This Modification proposes to update an out-of-date licence reference within UNC TPD Section I to ensure it correctly aligns with the current NGG Licence.

Why

A reference within UNC TPD Section I 3.11.1 refers to National Grid NTS's Transmission Price Control Review 4 (TPCR4) licence. Material changes to the NGG Licence took effect from 01 April 2021 (start of the RIIO-T2 period) which means that this licence reference is incorrect. UNC 0774S, implemented on 08 October 2021, made changes to the references within UNC TPD in order to correctly align to the Conditions in the current NGG Licence. However, this specific reference was not noticed, as it is not a RIIO-T1 reference it is a TPCR4 reference.

How

An amendment is proposed to UNC TPD Section I Paragraph 3.11.1 in order to correctly align to the Conditions in the current NGG Licence.

2 Governance

Justification for Fast Track Self-Governance

This Modification meets the Self-Governance criteria and is a housekeeping Modification as it seeks only to update a reference to the previous TPCR4 licence with a reference to the current RIIO-T2 licence.

Requested Next Steps

This Modification should be considered a non-material change and subject to Fast Track Self-Governance.

3 Why Change?

This UNC Modification seeks to facilitate the amendment of a licence reference found within UNC TPD Section I 3.11.1. The reference refers to Schedule A, Table A2 of the TPCR4 licence which has since been replaced by the RIIO-T1 licence and then by the RIIO-T2 licence on 01 April 2021. The material changes to the licence conditions since 2013 means that the reference is now incorrect and as such should be updated.

4 Code Specific Matters

Reference Documents

TPD Section I

National Grid Gas Transporter Licence Special Conditions

UNC 0774S

5 Solution

Within UNC TPD Section I there is a reference to the NGG Licence which relates to a previous version of the NGG Licence (i.e. in place prior to 01 April 2021). This needs to be updated to reflect the current NGG Licence (applicable from 01 April 2021). The description of an LDZ System Entry Point in TPD Section I Paragraph 3.11.1 (a) will be amended as detailed below.

Current wording:

(a) an "LDZ System Entry Point" is a System Entry Point on a DNO's System and that is not listed as an Entry Point in Schedule A, Table A2 of National Grid NTS's Licence;

New wording:

(a) an "LDZ System Entry Point" is a System Entry Point on a DNO's System and that is not listed as an Entry Point in Appendix 1 of Special Condition 9.13 of National Grid NTS's Gas Transporter's Licence;

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

None - the Modification is limited to housekeeping changes which have no impact on Consumers.

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

No User groups will be impacted.

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

Cross-Code Impacts

None.

Joint Office of Gas Transporters

EU Code Impacts

None.

Central Systems Impacts

None.

7 Relevant Objectives

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

As this proposal is correcting a reference within UNC TPD Section I to the current NGG Licence, the broader Standard Relevant Objective f) (Promotion of efficiency in the implementation and administration of the Code) is better facilitated by ensuring that UNC is reflecting the necessary information.

No changes are proposed to UNC TPD Section Y therefore we consider there is no overall impact on any Charging Methodology Relevant Objectives.

8 Implementation

As Fast Track Self-Governance procedures are proposed, implementation could be sixteen business days after a unanimous vote in favour of implementation by the Modification Panel, subject to no Objection being raised.

9 Legal Text

Text Commentary

Amend UNC TPD Section I 3.11.1 (a) as outlined below to ensure the reference aligns with the RIIO-T2 licence

Text

(a) an "LDZ System Entry Point" is a System Entry Point on a DNO's System and that is not listed as an Entry Point in Schedule A, Table A2 Appendix 1 of Special Condition 9.13 of National Grid NTS's Gas Transporter's Licence;

10 Recommendations

Proposer's Recommendation to Panel

Panel is asked to:

- Agree that Fast Track Self-Governance procedures should apply.
- Agree that this Fast Track Self-Governance Modification Proposal should be implemented.