

Representation - Draft Modification Report UNC 0808

Reverse Compression

Responses invited by: 5pm on 10 August 2023

To: enquiries@gasgovernance.co.uk

Please note submission of your representation confirms your consent for publication/circulation.

Representative:	Mark Voss
Organisation:	Ixora Energy Ltd
Date of Representation:	08 August 2023
Support or oppose implementation?	Support
Relevant Objective:	<p>b) Positive</p> <p>d) Positive</p>
Relevant Charging Methodology Objective:	c) Positive

Reason for support: Please summarise (in one paragraph) the key reason(s)

Reduced flows due to lack of grid capacity are unpredictable and intermittent. Both of which pose serious issues when operating an AD plant. Multiple stop/starts of any equipment reduces equipment lifespan and increases maintenance cost. Being kicked out of grid unpredictably also puts pressure on gas storage volumes – often leading to excessive flaring of biogas. Following on from this feeding has to be reduced. This of course does not reduce gas production immediately – so the lag between feed changes and gas production of 2-5 days results in excessive gas being flared when kicked out of grid, then reduced gas flows once back in the grid. No matter how accurately the operators try to manage this situation the result is always excessive flaring and reduced flows (beyond even what could be accepted) of green gas into the grid. In recent weeks we have seen flows reduced by 200 Sm³/hr of biomethane to grid – a 50% reduction on flows and therefore revenue compared to last summer. During this period flaring can reach up to 15% of our biogas production due to the issues brought from intermittent grid availability. Having hedged a significant proportion of gas sales this issue then becomes the ultimate ‘double whammy’ whereby on days of low flows we may not reach our hedged sales volume – meaning that while suffering the loss of reduced gas sales the site then has to pay a premium price to buy ‘fossil derived’ gas from the grid to meet its contracted volume.

Implementation: What lead-time do you wish to see prior to implementation and why?

As short as possible. We are aware that network owners can install compressors – but have yet to do so. We have put together a team of industry experts to work with network owners and deliver such projects at speed. The first of which we believe can be delivered within the next 9 months - this will deliver a solution at least one year earlier than previously thought.

Impacts and Costs: *What analysis, development and ongoing costs would you face?*

Approx £1.5 million

Legal Text: *Are you satisfied that the legal text will deliver the intent of the Solution?*

Yes

Are there any errors or omissions in this Modification Report that you think should be taken into account? *Include details of any impacts/costs to your organisation that are directly related to this.*

None

Please provide below any additional analysis or information to support your representation

None