Representation - Draft Modification Report UNC 0859

Reintroduction of the enhanced pressure service and increased MNEPOR for BBLC (as introduced by UNC0814)

Responses invited by: 5pm on 15 December 2023

To: enquiries@gasgovernance.co.uk

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

Representative:	Anna Gyory
Organisation:	ENGIE SA
Date of Representation:	12/12/2023
Support or oppose implementation?	Support and Comments* delete as appropriate
Relevant Objective:	d) Negative * delete as appropriate
Relevant Charging Methodology Objective:	Not Applicable * delete as appropriate

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

In recent months the operation of the Interconnector Ltd. and consequently the commercial activities of relevant shippers have suffered several times from the delivery of solids and liquid in gas delivered from the NTS to the Bacton Exit Interconnection Point.

Related to this modification, Interconnector Ltd launched a consultation on its access rules and charging methodology. As part of this consultation we note that it is proposing to introduce a financial compensation that Interconnector Ltd would invoice to shippers in case of damages caused by off specification gas.

ENGIE understands Interconnector Ltd's reaction to this modification and that it is taking steps to mitigate against the potential operational impact, however, these changes should be reflected in the modification report to ensure that any forthcoming decision to implement is fully informed of the consequences.

It is also important to consider that GB shippers and customers will not be able to profit from an enhanced pressure service if the enhancement of the pressure will jeopardise the operation of the pipelines.

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

Before taking forward any modification proposal to further enhance NTS IP flows at Bacton, it is in the interest of GB consumers for NGG to urgently address the delivery of off specification gas from the NTS at the Bacton IP by investment in mitigating assets (e.g. filters).

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

The increased risk and probability of delivery of non-specification gas could result in significant costs to shippers.

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

N/A

Ofgem have requested that the following questions are addressed:

Q1: Provide views/ details on the data/ information collection required from the proposed solution in order to be in a position for a decision on any future enduring solution. UNC0859S is proposed as a temporary Modification. The proposer states "This timeframe would provide sufficient time to gather data towards the longer term thinking and development of whether an enduring solution would be appropriate" [Page 3 of Modification document]. What information would you need to form a view as to whether an enduring solution is appropriate.

As stated above, the broader contractual issues should be considered as to whether the full impact of the modification is in the best interests of GB shippers and GB customers.

Q2: Provide views on the appropriateness of the time period for the enhanced pressure service proposed by the Modification, with regards to system safety and GB security of supply. Do you consider Winter 2023/24 to be an appropriate time to implement this Modification? Please explain your reasons. If not, please state when you consider would be an appropriate time and your reasons for this.

As stated above, we would urge NGT to undertake further investment to eradicate the potential for solids/liquids to be present in gas delivered to the interconnectors.

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.

The report should at the very least identify the steps being taken by Interconnector Ltd., BBL and National Transmission to mitigate against the risks/costs involved with implementing this modification.

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