

UNC Workgroup 0720S Minutes
Amendments to the Agreed Target Quantity at the Moffat
Interconnection Point
Thursday 02 April 2020
via teleconference

Attendees		
Lorraine O'Shaughnessy Chair)	(LOS)	Joint Office
Helen Bennett (Secretary)	(HB)	Joint Office
Alan Raper	(AR)	Joint Office
Adam Bates	(AB)	South Hook Gas
Alex Neild	(AN)	Storengy
Andrew Pearce	(AP)	BP
Anna Shrigley	(AS)	Eni Trading & Shipping
Anna Stankiewicz	(ASt)	National Grid
Bethan Winter	(BW)	Wales & West Utilities
Bill Reed	(BR)	RWE
David Adlam	(DA)	Cadent
Debra Hawkin	(DH)	TPA Solutions
Emma Buckton	(EB)	Northern Gas Networks
Hilary Chapman	(HC)	SGN
Jeff Chandler	(JCh)	SSE
Jennifer Randall	(JR)	National Grid
Julie Cox	(JCx)	Energy UK
Kamila Nugumanova	(KN)	ESB
Kamla Rhodes	(KR)	Conoco Phillips
Lea Slokar	(LS)	Ofgem
Leyon Joseph	(LJ)	SGN
Malcolm Montgomery	(MM)	National Grid
Nick Wye	(NW)	Waters Wye Associates
Phil Hobbins	(PH)	National Grid
Ritchard Hewitt	(RH)	BBLC
Steven Britton	(SB)	Cornwall Energy
Terry Burke	(TB)	Equinor
Tracy Brogan	(TB)	Neptune Energy
Will Webster	(WW)	Oil & Gas UK

Copies of all papers are available at: www.gasgovernance.co.uk/0720/020420

The Workgroup Report is due to be presented at the UNC Modification Panel by 16 July 2020.

1.0 Outline of Modification

LO advised workgroup that this was discussed during the March meeting as a Pre-Modification and then welcomed Malcolm Montgomery (MM) introduced the Modification and explained the purpose of the Modification is to change the definition of Agreed Target Quantity in the Interconnection Agreement between National Grid Gas plc and GNI (UK) Ltd.

MM explained that notifications from GNI (Gas Networks Ireland) contain an End of Day Quantity based purely on the aggregation of the prevailing net shipper nominations for the island of Ireland. This is defined as the Agreed Target Quantity. ATQ. MM advised that the End of Day quantities to be offtaken at the Moffat interconnector are consistently understated compared to the reality therefore National Grid have been looking at why they are an issue. There appears to be a data accuracy problem, where more accuracy is found at the start of day compared to inaccurate data towards the end of day. This information feeds into the Predicted Closing Linepack (PCLP) which gives a view of the balance of the network.

When asked MM clarified he will check, confirm, and make sure it is explicit in the Modification whether domestic demand relates to Republic of Ireland (ROI) or the whole of Ireland demand.

New Action 0401: MM to check, confirm and make sure it is explicit in the Modification whether domestic demand relates to Republic of Ireland (ROI) or the whole of Ireland demand.

Timeline

MM proposed that 3 months for workgroup discussion should be sufficient.

Solution

This Modification is proposing to implement new methodology by revising the wording in the Moffat Interconnection Agreement (IA) as per UNC European Interconnector Document (EID), Section A section 4, which states 'Relevant Interconnection Provisions' will not be amended other than with approval from shippers / pursuant to a Code Modification.

The wording in the IA annex H section 5.4 shall be amended to reflect that the ATQ for each Gas Flow Day shall be the Aggregate Exit Demands on the GNI Transportation System in respect of a Gas Day (including Virtual Reverse Flow) minus the sum of the anticipated entry quantities from other Entry Points to the GNI Transportation System.

Under this approach, the ATQ for Moffat IP will differ significantly from the sum of the Entry Confirmed Quantities, early on in the gas day, reducing as the gas day progresses, and aiming for them to be equal for the last hour of matching.

There is also a sub-option that the newly proposed mechanism could be used until a certain point in the Gas Day after which the previous mechanism would be reverted to, therefore eliminating the possibility of any impact on the OBA. This switch could happen as an immediate switch at a specific time, or on a more gradual scale, with the current and new mechanisms both being used with different weightings across a period of several hours.

By amending the methodology National Grid will get more accurate data at the start of the day.

MM will bring the draft Interconnection Agreement to next meeting in May 2020.

2.0 Initial Discussion

2.1. Issues and Questions from Panel

2.1.1 How the protections are put into place for consequential impact and are the Modification Rules appropriate for this and is there an alternative solution?

MM advised that, in terms of the Modification rules, the process to amend the agreement is through UNC to provide transparency and governance.

In terms of Protections he is unsure what the concern is, this is quite a mechanical process now, this Modification is not aiming to give GNI an alternative process, Self-Governance is still appropriate.

2.1.2 Workgroup to discuss if this should come back to Panel for consideration if Self Governance.

MM confirmed that Self-Governance is still appropriate.

2.2. Initial Representations

None received.

2.3. Terms of Reference

The standard UNC Workgroup Terms of Reference will apply and is available at www.gasgovernance.co.uk/mods

As matters have been referred from Panel a specific Terms of Reference will be published alongside the Modification at www.gasgovernance.co.uk/0720/.

3.0 Next Steps

LOS confirmed the next steps:

- Review any amendment to the Modification
- Review the draft Interconnection Agreement
- Development of Workgroup Report

4.0 Any Other Business

None.

5.0 Diary Planning

Further details of planned meetings are available at: www.gasgovernance.co.uk/events-calendar/month

Workgroup meetings will take place as follows:

Time / Date	Venue	Programme
10:00 Friday 07 May 2020	Teleconference	Detail planned agenda items. <ul style="list-style-type: none"> • Amended Modification • Review the draft Interconnection Agreement • Development of Workgroup Report
10:00 Friday 04 June 2020	TBC	

Action Table (as at 02 April 2020)

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0401	02/04/20	2.2	National Grid (MM) to check, confirm and make sure it is explicit in the Modification whether domestic demand relates to Republic of Ireland (ROI) or the whole of Ireland demand.	National Grid (MM)	Pending