

## Representation - Draft Modification Report UNC 0761

### Arrangements for Interconnectors with additional Storage capability

Responses invited by: **5pm on 19 November 2021**

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

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

<b>Representative:</b>	Lauren Jauss
<b>Organisation:</b>	RWE Supply & Trading GmbH
<b>Date of Representation:</b>	19 November 2021
<b>Support or oppose implementation?</b>	Support
<b>Relevant Objective:</b>	<p>a) Positive</p> <p>b) Positive</p> <p>d) Positive</p>
<b>Relevant Charging Methodology Objective:</b>	<p>a) Positive</p> <p>b) Positive</p> <p>c) Positive</p>

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

We support the use of implicit storage capabilities of interconnectors in principle because we believe this could provide a valued service in otherwise unused capacity to help manage short term gas supply and demand variability. Whilst the estimated effective working gas volumes appear to be very small compared with existing storage facilities, the extremely fast churn rate could result in very high utilisation, with many multiples of the working gas volume effectively injected and withdrawn each year. However, we note that the estimated value of the service is very uncertain as it will be dependent on a variable level of available storage capacity.

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

No comment

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

No comment

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

No comment

**Modification Panel Members have requested that the following questions are addressed:**

*Q1. Do any legal points need to be considered which are relevant to 0761?*

We agree with the workgroup report that a legal review is required to confirm that the proposal is compliant with the Gas Act and EU Regulations.

*Q2. Do you have any views in relation to the delivery costs and potential benefits associated with delivering this solution?*

As described above, we believe this could provide a valued service but it is not possible to quantify at this stage due to the high degree of uncertainty in available storage volumes.

*Q3. Do you have any views as to whether implementation will increase overall NTS throughput volumes?*

We anticipate that in many instances the rate and/or timing of gas entering and exiting the transmission system will simply be adjusted, but in other cases some volumes of gas may exit the transmission system and never fully exported but rather re-enter the NTS later on in the same manner as existing storage facilities.

*Q4. Please explain whether you believe this solution has any impacts on other available storage services.*

The introduction of this new type of storage facility may increase competition in the storage sector, but we expect that the demand for flexibility such as fast churn storage will increase over the coming years as gas demand becomes increasingly volatile on a day to day basis.

**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.*

No comment

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

No comment