

Representation - Draft Modification Report 0504

Demand Side Response (DSR) Methodology Implementation

Responses invited by: **10 December 2015**

To: enquiries@gasgovernance.co.uk

Representative:	Debbie Brace
Organisation:	National Grid NTS
Date of Representation:	7 th December 2015
Support or oppose implementation?	Support
Relevant Objective:	a) Positive b) Positive c) Positive

Reason for support:

As Proposer, National Grid NTS fully supports implementation of this Modification.

National Grid NTS, through Special Condition (SC) 8I of its licence, led the development of a Gas Demand Side Response (DSR) Methodology. During the development phase discussions were held at seven Workgroup meetings from July 2014 through to February 2015 with a range of participants from the industry. The Gas DSR Methodology was subject to an industry consultation during December 2014 and January 2015, with the final Gas DSR Methodology submitted to Ofgem on 26th August 2015.

The Authority approved the Gas DSR Methodology on the 21 September 2015. In its letter the Authority was satisfied that the Gas DSR Methodology had been developed in line with the principles of SC 8I and directed National Grid NTS to implement the Gas DSR Methodology ready for winter 2016/17.

This Modification sets out the arrangements as described in the Gas DSR Methodology. The solution utilises existing system functionality, therefore minimising change which in turn provides an efficient and economical solution.

DSR introduces an additional tool to National Grid NTS for reducing gas demand to assist in the prevention of a Gas Deficit Emergency (GDE).

Implementation:

National Grid NTS is seeking to introduce Gas Demand Side Response for winter 2016/17 in line with the Authority's decision letter of 21st September 2015. In order to

allow Shippers sufficient time to introduce the necessary agreements, implementation of this Modification is to occur:

- On 1st March 2016 if a decision to implement is issued by 22nd February: or
- Implementation on 1st April 2016 if a decision to implement is issued by 25th March 2016

with an effective date of 1st October 2016. For the avoidance of doubt, this means that system functionality will be available from 1st October 2016.

If a decision to implement is received after 1 April 2016, then implementation is to follow 5 business days later.

Impacts and Costs:

No User Pays costs have been identified for this Modification.

Legal Text:

National Grid NTS is satisfied that the legal text delivers the intent of the Modification proposal.

Are there any errors or omissions in this Modification Report that you think should be taken into account?

No

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

Not applicable.