










UNC Draft Modification Report		At what stage is this document in the process?
<div>UNC 0842:</div> <div>Gas Entry onto the Total system via an Independent Gas Transporter</div>		<div><div>01</div>Modification</div> <div><div>02</div>Workgroup Report</div> <div><div>03</div>Draft Modification Report</div> <div><div>04</div>Final Modification Report</div>
<div><div>Purpose of Modification:</div><div>This Modification will facilitate gas flow into the Total System from an Independent Gas Transporters (IGT) pipeline via a DNO network.</div></div>		
<div><div>Next Steps:</div><div>Panel consideration is due on 15 February 2024.</div></div>		
<div><div>Impacted Parties:</div><div>High: Independent Gas Transporters, Distribution Network Operators.</div><div>Low: National Gas Transmission &amp; Shippers.</div></div>		
<div><div>Impacted Codes:</div><div>UNC &amp; UNC IGTAD.</div></div>		

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## 1 Summary

### What

The Uniform Network Code (UNC) is currently silent on a situation where gas can flow into the Total System from a DNO network via an IGT pipeline. This Modification has been raised to address this void and establish the arrangements between the IGT, the DNO and the Delivery Facility Operator (gas producer) to allow this flow.

### Why

Why There are a growing number of gas producers such as bio-methane producers wanting to inject new sources of gas onto the Total System and there is an opportunity to extend the market for new entry connections onto the Total System by facilitating IGTs to directly connect new sources of gas. This Modification will ultimately facilitate the expansion of UK produced gas entering the Total System.

### How

The UNC will be amended to recognise that gas can flow into the Total System via an IGT pipeline and onward through a DNO network. To make this work, two new agreements will be required and will be developed as follows:

- At the interface point between the 'delivery facility connected to the IGT pipeline' and the IGT pipeline:
  - a new agreement (a tripartite agreement) based on an LDZ Network Entry Agreement will govern physical flow, energy measurement and gas characteristics which will be contained in 'provisions equivalent to Network Entry Provisions' and Local Operating Procedures. The parties to this agreement will be the IGT, the DNO and the operator of the delivery facility connected to the IGT pipeline.
- At the interface point between the IGT pipeline and the DNO pipeline:
  - a new variety of NEA will govern physical flow, energy measurement and gas characteristics into the Total System by treating the 'provisions equivalent to Network Entry Provisions' in the new tripartite agreement mentioned above as UNC Network Entry Provisions. The parties to this agreement will be the IGT, the DNO.

This arrangement between the IGT DNO and the gas producer (the tripartite agreement) will effectively establish a LDZ System Entry Point at the IGT/DNO interface and an upstream IGT entry point which will be owned, operated, and controlled by the IGT. An LDZ System Entry Point will be established on the National Gas Gemini system accordingly. The gas will flow directly into an IGT pipeline from the gas producer and indirectly into a DNO System.

## 2 Governance

### Justification for Authority Direction

This change is material as it will have commercial impact on parties, consumers, or other stakeholder(s); and therefore warrants an Authority Direction. The overarching objective of the Modification is to allow new sources of gas to be entered onto the Total System by facilitating gas to flow from an IGT's pipeline into a DNO pipeline thus allowing new sources of gas onto the Total System. The existing UNC requirements to establish Network Entry Provisions in a Network Entry Agreement will be varied to allow a new IGT/DNO NEA to treat 'provisions equivalent to Network Entry Provisions' in a new 'tripartite agreement', which includes the operator of the delivery

facility connected to the relevant IGT pipeline as a signatory.

### Requested Next Steps

This Modification should be considered a material change and not subject to Self-Governance.

### Workgroup's Assessment

Workgroup agreed with the Proposer's assessment above that Authority Direction is warranted for this Modification.

## 3 Why Change?

The UNC is silent on allowing IGTs to enter gas onto the Total System (although an IGT Licence does indicate that IGTs can convey gas through their pipes to any pipe-line system operated by another gas transporter), currently the code only acknowledges that IGTs can exit gas from the Total System via a Connection System Exit Point (CSEP) and this has been the case since the UNC was first drafted.

This Modification Proposal will allow IGTs to transport gas from an IGT System Entry Point (IGT SEP) via an IGT pipeline to a LDZ System Entry Point where the gas will enter the Total System. This Modification proposal would provide an alternative option (in addition to a Utility Infrastructure Provider UIP or DNO connection) in a scenario where a gas producer is located some distance from the DNO existing network and additional pipe is required to be laid so that the gas can enter the Total System. This option also aligns to the requirements of government subsidy schemes for renewable gases, e.g. The Green Gas Support Scheme, which requires gas to be entered into a Licensed gas Transporter's network.

## 4 Code Specific Matters

### Reference Documents

Independent Gas Transporters Arrangement Document (IGTAD)

<https://www.gasgovernance.co.uk/unc/igtad>

UNC TPD Section I – 3.11.1 (a)

<https://www.gasgovernance.co.uk/index.php/TPD>

Network Entry Agreement (NEA)

### Knowledge/Skills

Understanding the IGTAD and UNC would be advantageous.

Knowledge of the IGT UNC.

## 5 Solution

General UNC business rules associated with the Modification.

- 1 BR1. An IGT System Entry Point (IGT SEP) is a point at which gas can flow into an IGT pipeline. This gas will be deemed to simultaneously flow into the Total System from a DNO network at a single LDZ System Entry Point (LDZ SEP).
- 2 BR2. A new term "IGT LDZ SEP" will be defined in the UNC as a LDZ SEP which then corresponds to

an IGT SEP.

- 3 BR3. A Shipper cannot deliver gas to the Total System at an IGT LDZ SEP unless there is in place an agreement (the tripartite agreement) between the DN Operator, the IGT and the gas production.
- 4 BR4. This agreement (the tripartite agreement) will contain provisions equivalent to Network Entry Provisions and Local Operating Procedures – i.e. rules specifying requirements for the delivery of gas to the Total System at the IGT LDZ SEP and the IGT SEP.
- 5 BR5. For the purpose of interpreting rules in TPD Section I regarding Network Entry Provisions and Local Operating Procedures references to System Entry Point mean the IGT SEP, and similar where required, e.g. the point of delivery being the point of delivery to the IGT System.
- 6 BR6. The Transporter will allow delivery of gas at the IGT LDZ SEP provided that there is in place an LDZ Network Entry Agreement (between the DNO and the IGT) which treats the provisions in the tripartite agreement (referred to in BR 3 and 4) as Network Entry Provisions and Local Operating Procedures.
- 7 BR7. Where gas flows at an IGT LDZ SEP the gas is treated as taken out of the IGT System and put into the LDZ by Shippers (being the same Shippers delivering gas at the IGT SEP).
- 8 BR8. Title and risk to the gas will pass from IGT to Shipper(s) and simultaneously from the Shipper(s) to DN Operator at the IGT LDZ SEP.
- 9 BR9. The Network Entry Agreement and the new 'tripartite operator to operator' agreement will require the IGT to provide or to ensure the provision to the DN Operator of the quantities of gas and determined CV at the IGT SEP.
- 10 BR10. The quantities referenced in BR9 are to be treated as the Shipper's UDQI at the IGT LDZ SEP and are the same quantities at the IGT SEP.

Clarification points: -

1. Existing IGT Shrinkage provisions in IGTAD will apply equally to IGT networks that facilitate gas entry into the Total System as with any other IGT network.
2. The IGT's 4B statement will require an update to reflect a requirement for an entry connections agreement and relevant charges.
3. There is no intention to change the meaning of a CSEP, so all existing Individual System Exit Points between the DNO System and the IGT will remain collectively a single unmetered CSEP.
4. The DNO, IGT and gas production operator will manage and operate the flow and monitoring of the gas onto the Total System in line with an agreement. Note, arrangements may be entered into between the IGT and the relevant DNO to facilitate this requirement where this an additional cost to the DNO in facilitating this service on an enduring basis. This will be enshrined in a separate arrangement outside the scope of the UNC.
5. The IGT may continue to facilitate gas exit points off their pipeline prior to the DNO network using the existing CSEP process. Existing IGTAD arrangements for these ISEPs would prevail.
6. Gas quality obligations detailed in The Gas Safety (Management) Regulations apply equally to DNO and IGT licensed transporters and as such each transporter has an equal requirement and interest to ensure the gas entering and leaving their respective networks is compliant with these Regulations.
7. The current UNC definition of the Total System excludes IGT networks and only includes Large Transporter networks. Therefore, a LDZ System Entry Point can only exist on a DNO network and not a IGT network.

6 Impacts & Other Considerations

Does this Modification impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

There is no identified impact on Significant Code Reviews or other significant industry change projects.

Consumer Impacts

Increasing the number of gas producers and sources of gas should theoretically lower consumer prices by increasing competition (higher supply and unchanged demand puts downward pressure on prices), but it is acknowledged that the limited scale means any impact would be minimal.

What is the current consumer experience and what would the new consumer experience be?

No change.

Impact of the change on Consumer Benefit Areas:	
Area	Identified impact
<p>Improved safety and reliability</p> <p>No Change as the new sources of gas would not materially improve the security of supply.</p>	None
<p>Lower bills than would otherwise be the case</p> <p>No change as the additional sources of gas would not be material in volume.</p>	None
<p>Reduced environmental damage</p> <p><b>Proposer view:</b></p> <p>There are a growing number of Bio-methane producers wanting to inject green gas onto the total system, this Modification would help this to take place and will ultimately expand this market which will have a positive impact on Greenhouse Gas Emissions by allowing the IGTs to provide this facility.</p> <p><b>Workgroup view:</b></p> <p>Workgroup broadly agreed with the Proposer.</p>	Positive
<p>Improved quality of service</p> <p>No change identified.</p>	None

Benefits for society as a whole	Positive
<b>Proposer view:</b>  By facilitating the building of additional Bio-Methane plants there will be additional jobs and general economic activity for UK Plc.  <b>Workgroup view:</b>  Workgroup broadly agreed with the Proposer.	

Cross-Code Impacts

Following detailed legal analysis in relation to the drafting of legal text for UNC Modification 0842, it has been identified that mirrored arrangements are required in the IGT UNC covering the transfer of title and risk to the gas at the point the gas is introduced into the IGT pipeline. This will be covered under a new IGT UNC Modification IGT172. <https://www.igt-unc.co.uk/igt172-optional-service-for-physical-gas-entry-into-an-igt-pipeline-and-into-the-unc-total-system-marrying-to-unc-mod-0842/>

EU Code Impacts

None.

Central Systems Impacts

Proposer’s view

There would be no adverse impacts to central systems as this Modification will use the existing Central System platforms. No impacts to Gemini are expected.

Workgroup’s view

In July 2023, a CDSP statement was discussed in Workgroup in response to an action to consider the central impacts of Modification 0842 solution. Below is the action and the CDSP response:

***Xoserve (ER) to check ROM requirement and/or to provide CDSP Statement for discussion***

- Based on the proposal within Modification 0842, from a central system perspective, the CDSP understands that these sites will be set up as new entry points and function like existing biomethane sites (for example). This means the Shipper has to nominate and the relevant data must be sent to the CDSP, which includes Energy Balancing information and Flow Weighted Average CV (FWACV) data.
- The principle is that IGTs will be responsible, but they will utilise the GDN to facilitate the requirement which will include providing the relevant information to the CDSP. This is as per BR9 and Clarification point 4.
- The CDSP working assumption based on conversations with the proposer and workgroup (plus the latest version of the Modification), is that the data required for central processes and associated services will continue to be sent by existing parties and utilise existing interfaces, systems and processes. This would mean, IGTs utilising the GDNs to fulfil the requirement. The CDSP would expect this to be reflected in the 0842 legal text based on BR9.
- The CDSP does not believe it is the intention of the Modification, but to clarify, if IGTs want to directly share relevant information to the CDSP for associated services, this would be a new service that would need to be assessed, requirements gathered and ultimately delivered. This is because, currently there isn’t a requirement for the IGTs to send this information and for example, the FWACV service is only available for GDNs.
- If IGTs wanted to explore the route of providing the data directly rather than using the GDN, this would need to be raised through a DSC Change Proposal raised.

- Based on discussions to date, and the latest Modification, the understanding is that IGTs would utilise the GDNs to provide the necessary data and information to the CDSP, the required processes are already in place for this therefore no further implementation would be required centrally as it would be BAU activities.

**Rough Order of Magnitude (ROM) Assessment** *(Workgroup assessment of costs & lead times)*

Cost estimate from CDSP	No cost
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**Performance Assurance Considerations**

Workgroup Participants did not believe there was any settlement impact that PAC would need to consider.

**Initial Representations**

Initial Representation received from Wales and West Utilities:

*We realise that there may be good reasons why the producer wishes to use an IGT rather than connect directly to the DNO network; however, if that approach is taken then the IGT needs to accept and fulfil its obligations. As the entry point will be connected to the IGT network then logically Ofgem will direct, using powers in Gas Act section 12, the IGT not the DN to measure the CV of the gas entering the network. Costs incurred in doing this will be incurred by the IGT and should be charged to the entrant appropriately. No obligations or costs should be incurred by the DNO. If the IGT would prefer the DN, or another party, to manage the entry point then this can be arranged through a bilateral contract. We believe that tri-partite agreements can be unnecessarily complicated and can make obligations for parties unclear. Our view is that the IGT should have an entry agreement with the producer and the DNO and the IGT should also have an entry agreement with obligations suitably backed off in each. We believe this would be a better approach and makes clear that all parties are clearly responsible for their own obligations.*

Workgroup discussed whether the tripartite arrangements fit the situation described by the Modification.

Concerns in the initial representation above centred around obligations on the DN to manage the entry point on behalf of the IGT. This has been addressed and now the IGT will be responsible for the Entry Point and measuring the CV. In order to provide assurances to the industry about CV shrinkage, the solution in the Modification is to have a tripartite agreement about that instead.

There would be a contractual agreement outside of Code between the IGT and a DN to manage the point and this may need to be reflected by the DN in some way.

In terms of costs, the IGT will bear the cost of measuring the CV, how they discharge it is a matter for the IGT, it is likely this will be covered by the contractual agreement with a DN, outside of Code. The data would be sent to central systems by way of this agreement.

Workgroup Participants confirmed there were no further matters to be discussed relating to the initial representation.

**Panel Questions**

- **Are these arrangements consistent with Modification 0808, especially in respect of responsibility for the Entry Point?**

**Proposer’s view**

The Proposer’s view is that Modifications 0808 and 0842 are standalone modifications and can be implemented



independently. Therefore, the arrangements do not need to be consistent and are entirely separate.

### **Workgroup view**

Workgroup Participants generally agreed that the two definitions of Entry Point are separate with separate provisions for each.

The Proposer of Modification 0808 agreed with the Proposer's view above. Both Modifications use the term IGT LDZ System Entry Point but are in different sections of code and are self-contained for the two different purposes.

- 0808 TPD A 2.4 IGT LDZ System Entry Point
- 0842 TPD I 3.12 IGT LDZ System Entry Point.

The Proposer of Modification 0842 confirmed that the lawyer is aware of the legal text phrase being in both sections of Code and is satisfied that this does not cause an issue, agreeing that they are self-contained for the two different purposes and are not linked, so that the two Modifications could be progressed along similar timelines.

- **Consideration of any consequential impact on the balancing and operation of the system?**

### **Proposer's view**

The Proposer confirmed that in terms of balancing the energy is monitored into the Total System into Gemini and is recorded against the relevant Shippers' UDQI which is a BAU process with no proposed changes. In terms of operation of the system, the gas is GS(M)R compliant, and the two agreements cover measurement of volume, gas quality/network entry provisions, pressure requirements etc. Therefore, there does not appear to be any impact on either the balancing nor operation of the system. The tripartite agreement will cover the operation of the remotely operable valve (ROV) in the event of an emergency as it does on a non-IGT Entry Point.

### **Workgroup view**

Workgroup Participants agreed with the Proposer's view above.

## **Workgroup Impact Assessment**

Workgroup noted this Modification has been discussed at the following Workgroups:

- [Workgroup 0842 23 November 2023](#)
- [Workgroup 0842 26 October 2023](#)
- [Workgroup 0842 28 July 2023](#)
- [Workgroup 0842 28 June 2023](#)
- [Workgroup 0842 23 May 2023](#)
- [Workgroup 0842 27 April 2023](#)

Topics which were discussed by Workgroup and resulted in changes to the text of the Modification or areas in the solution include the following:

- Transportation Charge treatment and rules on the IGT LDZ system – no new charges will come about as a result of this Modification. (see [Workgroup 0842 23 May 2023](#) and [Workgroup 0842 28 June 2023](#))
- Gas quality and GS(M)R requirements still being in force – clarification points included in solution (see [Workgroup 0842 28 June 2023](#) and Solution – Clarification point 6)
- Definition of LDZ System Entry Point and two definitions existing in code – this has been covered in Panel Question above (see page 9 above).
- Total System does not include IGT networks - no change (see Solution – Clarification point 7).
- Clarification of IGT's obligation for the submission of Data to Gemini as per BAU – for the avoidance of doubt there is a requirement for a separate bilateral agreement (outside of Code) with a DNO, this service will be provided to IGTs. The IGTs will utilise the GDNs to provide the necessary data and

information to the CDSP (as per BAU) (see page 9).

- CV capping risk - obligations will exist to ensure that the CV level is maintained (see page 9).
- Title and risk transfer - co-ordinated implementation with the IGT-UNC is required to facilitate the title and risk transfer arrangements ((BR 8) and other provisions of this Modification.

## 7 Relevant Objectives

### Impact of the Modification on the Transporters' Relevant Objectives:

Relevant Objective	Identified impact
a) Efficient and economic operation of the pipe-line system.	Positive
b) Coordinated, efficient and economic operation of <ul style="list-style-type: none"> <li>(i) the combined pipe-line system, and/ or</li> <li>(ii) the pipe-line system of one or more other relevant gas transporters.</li> </ul>	Positive
c) Efficient discharge of the licensee's obligations.	None
d) Securing of effective competition: <ul style="list-style-type: none"> <li>(i) between relevant shippers;</li> <li>(ii) between relevant suppliers; and/or</li> <li>(iii) between DN operators (who have entered into transportation arrangements with other relevant gas transporters) and relevant shippers.</li> </ul>	None
e) Provision of reasonable economic incentives for relevant suppliers to secure that the domestic customer supply security standards... are satisfied as respects the availability of gas to their domestic customers.	None
f) Promotion of efficiency in the implementation and administration of the Code.	None
g) Compliance with the Regulation and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators.	None

### Proposer's view

- a) The implementation of this UNC Modification will help facilitate additional gas to be entered into the Total System via a DNO Network thus utilising the efficient and economic use of the existing infrastructure and systems.
- b) Gas producers such as bio-methane producers wanting to inject new sources of gas onto the Total System will be able to use IGTs to provide this service. This Modification will ultimately help facilitate the expansion of UK produced gas entering the Total System via a DNO Network. The implementation of this UNC Modification will help facilitate the coordinated entry of new gas into the Total System via multiple Transporter's networks.

### Workgroup Assessment of Relevant Objectives and Relevant Charging Methodology Objectives

Workgroup Participants agreed with the Proposer's assessment above in relation to Relevant Objectives a)

and b).

## 8 Implementation

No implementation timescales proposed. However, this UNC Modification should be implemented as soon as reasonably practicable following an Authority direction to do so. It would be beneficial if both this UNC Modification and the corresponding IGT UNC Modification (IGT MOD 172) were considered in parallel by the Authority.

## 9 Legal Text

Legal Text has been provided by SGN and is published alongside this report:  
<https://www.gasgovernance.co.uk/0842>

### Workgroup Assessment

On 23 November 2023 the Workgroup considered the Legal Text and was satisfied that it meets the intent of the Solution.

### Text Commentary

Provided here: <https://www.gasgovernance.co.uk/0842>

### Text

Provided here: <https://www.gasgovernance.co.uk/0842>

## 10 Consultation

Representations were invited from interested parties on 14 December 2023. All representations are encompassed within the Appended Representations section, including any initial representations.

The following table provides a high-level summary of the representations. Of the 11 representations received 9 supported implementation, 1 offered qualified support and 1 provided comments.

Representations were received from the following parties:		
Organisation	Response	Relevant Objectives
Acorn Bioenergy Ltd	Support	a) Positive b) Positive
Barrow Shipping Ltd	Support	a) Positive b) Positive
Cadent	Qualified Support	a) Positive b) Positive
Ceres Energy Ltd	Support	a) Positive b) Positive
CNG Services Ltd	Support	a) Positive b) Positive
Future Biogas	Support	a) Positive

		b) Positive
Green Forty Development Ltd	Support	a) Positive b) Positive
Grissan Renewable Energy	Support	a) Positive b) Positive
Ixora Energy Ltd	Support	a) Positive b) Positive
SGN	Support	a) Positive b) Positive
Wales & West Utilities	Comments	Not provided.

Please note that late submitted representations may not be included or referred to in this Final Modification Report. However, all representations received in response to this consultation (including late submissions) are published in full alongside this Report and will be taken into account when the UNC Modification Panel makes its assessment and recommendation.

## 11 Panel Discussions

## 12 Recommendations

## 13 Appended Representations

- Initial Representation – Wales and West Utilities
- Representation - Acorn Bioenergy Ltd
- Representation - Barrow Shipping Ltd
- Representation - Cadent
- Representation - Ceres Energy Ltd
- Representation - CNG Services Ltd
- Representation - Future Biogas
- Representation - GFD
- Representation - Grissan Renewable Energy
- Representation - Ixora Energy
- Representation - SGN
- Representation - Wales and West Utilities

## Initial Representation - UNC 0842

### Gas Entry onto the Total system via an Independent Gas Transporter

<b>Representative:</b>	Tom Stuart
<b>Organisation:</b>	Wales & West Utilities
<b>Date of Representation:</b>	20.04.23
<b>Support or oppose implementation?</b>	Initial Representation
<b>Relevant Objective(s):</b>	Not applicable at this stage
<b>Relevant Charging Methodology Objective(s):</b>	Not applicable at this stage

#### Initial Representation.

We realise that there may be good reasons why the producer wishes to use an IGT rather than connect directly to the DNO network; however, if that approach is taken then the IGT needs to accept and fulfil its obligations.

As the entry point will be connected to the IGT network then logically Ofgem will direct, using powers in Gas Act section 12, the IGT not the DN to measure the CV of the gas entering the network. Costs incurred in doing this will be incurred by the IGT and should be charged to the entrant appropriately. No obligations or costs should be incurred by the DNO. If the IGT would prefer the DN, or another party, to manage the entry point then this can be arranged through a bilateral contract.

We believe that tri-partite agreements can be unnecessarily complicated and can make obligations for parties unclear. Our view is that the IGT should have an entry agreement with the producer and the DNO and the IGT should also have an entry agreement with obligations suitably backed off in each. We believe this would be a better approach and makes clear that all parties are clearly responsible for their own obligations.

## Representation - Draft Modification Report UNC 0842

### Gas Entry onto the Total system via an Independent Gas Transporter

Responses invited by: **5pm on 26 January 2024**

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>	Daniel Lambert, Downstream & Innovation Director
<b>Organisation:</b>	Acorn Bioenergy Limited
<b>Date of Representation:</b>	24 January 2024
<b>Support or oppose implementation?</b>	Support
<b>Relevant Objective:</b>	<b>a)</b> Positive <b>b)</b> Positive
<b>Relevant Charging Methodology Objective:</b>	Not Applicable

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

We support competition and the prospect of quicker, lower cost connection to the network. Having this option does not reduce any other options.

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

We understand a project in summer 2024 wants to take advantage of this option and that seems a reasonable target for implementation. Acorn Bioenergy has other projects in development that would benefit from the timely implementation of this modification.

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

It may reduce our costs on some projects, for example if the adoption of the connection pipeline is difficult due to easements.

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

No comment.

**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**

As a Biomethane project developer Acorn Bioenergy supports such endeavours. This will help us to reduce costs and to justify further investment in Biomethane projects.

## Representation - Draft Modification Report UNC 0842

### Gas Entry onto the Total system via an Independent Gas Transporter

Responses invited by: **5pm on 26 January 2024**

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>	Graeme Hunter, Director
<b>Organisation:</b>	Barrow Shipping Ltd
<b>Date of Representation:</b>	Friday 26 <sup>th</sup> January 2024
<b>Support or oppose implementation?</b>	Support
<b>Relevant Objective:</b>	<p>a) Positive</p> <p>b) Positive</p>
<b>Relevant Charging Methodology Objective:</b>	Not Applicable

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

Biomethane is being injected across the GB gas grid with over 100 sites connected to Gas Distribution (DN) networks. There is potential for more biomethane (and other green gases) to be developed, but producers only have the one option of connecting to a DN. In some cases, developers have identified that delivering gas to an IGT network would be more economic than delivery to a DN. This may be, for example, because there is no suitable DNO network nearby, or because an IGT may offer a more economic and efficient solution.

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

A number of projects require this modification so implementation should be as soon as possible.

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

Barrow Shipping has extensive experience in gas entry to DN systems and has processes already set up. Barrow has fully participated in the modification process, with a representative working alongside and with the proposer, SGN. Barrow understands that UNC mod 0842 would replicate the existing DN arrangements, so does not anticipate incurring any additional development or ongoing costs. Further analysis is not required.



**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.*

No

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

While there is nothing in the UNC that precludes gas entry into a DN via an IGT network, it is in all parties' interest to ensure that appropriate arrangements are in place to ensure all safety (i.e. gas composition and measurement) and commercial (i.e. use of system) requirements are met.

Clarifying issues around this transfer of gas in both the UNC and IGT UNC will deliver the necessary consistency and clarity.

To address UNC related issues, SGN has raised this UNC modification proposal. Barrow Shipping strongly supports this, and has raised IGT UNC 'marry' modification 172 to introduce the necessary IGT UNC provisions to dovetail with those proposed in this UNC modification.

## Representation - Draft Modification Report UNC 0842

### Gas Entry onto the Total system via an Independent Gas Transporter

Responses invited by: **5pm on 26 January 2024**

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>	Edward Allard
<b>Organisation:</b>	Cadent Gas Limited
<b>Date of Representation:</b>	26/01/2024
<b>Support or oppose implementation?</b>	Qualified Support
<b>Relevant Objective:</b>	<p><b>a)</b> Positive</p> <p><b>b)</b> Positive</p>
<b>Relevant Charging Methodology Objective:</b>	Not Applicable

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

Cadent are supportive of this modification, as its implementation would extend the market for new entry connections of greener gas (such as biomethane) onto the Total System, through IGTs operating pipelines that connect delivery facilities to distribution networks.

As part of the support for implementation of this modification, Cadent wishes to highlight several key elements of the draft modification report that it believes are pivotal.

A principle that overarches our support is that the responsibilities and obligations that IGTs are held to, when transporting entry gas onto the total system, should be consistent with the existing standards that Distribution Networks (DNs) adhere to (for example Section 8 and Schedule 3 Part 1 of the Gas Safety (Management) Regulations 1996).

Additionally (and as referenced in clarification point six in the draft modification report below), we believe it is important to underline the division of responsibility between the DN and IGT in ensuring that gas transported in their respective networks complies with all necessary regulations:

***“Gas quality obligations detailed in The Gas Safety (Management) Regulations apply equally to DNO and IGT licensed transporters and as such each transporter has an equal requirement and interest to ensure the gas entering and leaving their respective networks is compliant with these Regulations.”***

However, we recognise the ability for IGTs and DNs to enter into an agreement separate from the UNC relating to the contracting of measurement activities at the IGT SEP from the IGT to the DN.

Overall, Cadent are supportive of this modification, and believe that the caveats highlighted as part of this representation can be mitigated through the inclusion of terms in the tripartite and IGT-DN agreements.

We have outlined our rationale to support our views on the impacts on the relevant objectives (above):

Relevant Objective a) *“Efficient and economic operation of the pipe-line system”*

We believe that this modification furthers relevant objective a). The implementation of this modification would extend the market for new biomethane entry connections onto distribution networks, increasing the volume of gas able to be accessed by the total system.

Relevant Objective b) *“Coordinated, efficient and economic operation of (i) the combined pipe-line system, and/or (ii) the pipe-line system of one or more other relevant gas transporters”*

We believe that this modification furthers relevant objective b). This modification would define clear rules to govern the efficient coordination of multiple pipeline systems (IGT and DN) for the purpose of extending the market for new gas producers to enter gas onto the Total System.

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

We believe implementation of modification 0842 and IGT modification 172 should be made in parallel and as soon as reasonably practical following authority direction.

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

None identified, the charges relating to the IGT LDZ SEP will be governed by existing charging arrangements. Distribution networks may incur costs in designing the necessary bespoke tripartite contracts and Network Entry Agreements. However, the scale of these costs is currently unknown and do not impact Cadent’s qualified support of this modification at this stage.

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

We are satisfied that the Legal Text will deliver the intent of the solution.

**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**

Nothing further to add.

We trust that this information will assist in the completion of the Final Modification Report.

Please contact me on 07891670444 ([Edward.allard@cadentgas.com](mailto:Edward.allard@cadentgas.com)) should you require any further information.

## Representation - Draft Modification Report UNC 0842

### Gas Entry onto the Total system via an Independent Gas Transporter

Responses invited by: **5pm on 26 January 2024**

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>	Graeme Hunter, Chief Operating Officer
<b>Organisation:</b>	Ceres Energy Ltd
<b>Date of Representation:</b>	Friday 26 <sup>th</sup> January 2024
<b>Support or oppose implementation?</b>	Support
<b>Relevant Objective:</b>	<p>a) Positive</p> <p>b) Positive</p>
<b>Relevant Charging Methodology Objective:</b>	Not Applicable

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

Biomethane is being injected across the GB gas grid with over 100 sites connected to Gas Distribution (DN) networks. There is potential for more biomethane (and other green gases) to be developed, but producers only have the one option of connecting to a DN. In some cases, developers have identified that delivering gas to an IGT network would be more economic than delivery to a DN. This may be, for example, because there is no suitable DNO network nearby, or because an IGT may offer a more economic and efficient solution.

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

A number of projects require this modification so implementation should be as soon as possible.

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

Ceres Energy has extensive experience in gas entry to DN systems and has processes already set up. Ceres understands that UNC mod 0842 would replicate the existing DN arrangements, so does not anticipate incurring any additional development or ongoing costs. Further analysis is not required.

**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.*

No

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

While there is nothing in the UNC that precludes gas entry into a DN via an IGT network, it is in all parties' interest to ensure that appropriate arrangements are in place to ensure all safety (i.e. gas composition and measurement) and commercial (i.e. use of system) requirements are met.

Clarifying issues around this transfer of gas in both the UNC and IGT UNC will deliver the necessary consistency and clarity.

## Representation - Draft Modification Report UNC 0842

### Gas Entry onto the Total system via an Independent Gas Transporter

Responses invited by: **5pm on 26 January 2024**

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>	John Baldwin, Managing Director
<b>Organisation:</b>	CNG Services Ltd
<b>Date of Representation:</b>	Friday 26 <sup>th</sup> January 2024
<b>Support or oppose implementation?</b>	Support
<b>Relevant Objective:</b>	<b>a)</b> Positive <b>b)</b> Positive
<b>Relevant Charging Methodology Objective:</b>	Not Applicable

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

There are opportunities for the proposed IGT approach to provide an additional option for biomethane developers in particular where the route to the main gas grid is difficult with restrictions on easements. The IGT approach also offers flexibility on asset adoption and processes which may reduce costs and schedule for a new biomethane project

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

Projects are awaiting a decision currently so for implementation as soon as possible

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

It may reduce our costs on some projects for example of the adoption of the connection pipeline is difficult due to easement issues

**Legal Text:** *Ar 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.*

No

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

Biomethane projects need innovation and competition to reduce costs and this modification is helpful



## Representation - Draft Modification Report UNC 0842

### Gas Entry onto the Total system via an Independent Gas Transporter

Responses invited by: **5pm on 26 January 2024**

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>	Ben O'Meara
<b>Organisation:</b>	Future Biogas
<b>Date of Representation:</b>	26 Jan 2024
<b>Support or oppose implementation?</b>	Support
<b>Relevant Objective:</b>	<p><b>a)</b> Positive</p> <p><b>b)</b> Positive</p>
<b>Relevant Charging Methodology Objective:</b>	Not Applicable

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

We support competition and the prospect of quicker, lower cost connection to the network. We are supportive of introducing measures that quicken the introduction of green gas to the grid.

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

As soon as is reasonably possible. We have projects in our development pipeline that would benefit from this proposal.

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

It may reduce our costs on some projects and will hopefully reduce the approval/connection process and provide a standardised and reliable solution across the industry.

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

No comment

**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**

The reduction in costs resulting from these changes will help bring down the cost of Green gas per MWh making it a more viable option for more corporate offtakers. This will therefore help increase the number of plants built and have the added benefit of further CO2 capture with more BECCS sites being built.

## Representation - Draft Modification Report UNC 0842

### Gas Entry onto the Total system via an Independent Gas Transporter

**Responses invited by: 5pm on 26 January 2024**

**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>	James Copeland, Technical Director
<b>Organisation:</b>	Green Forty Development Ltd
<b>Date of Representation:</b>	Friday 26 <sup>th</sup> January 2024
<b>Support or oppose implementation?</b>	Support
<b>Relevant Objective:</b>	<p><b>a)</b> Positive</p> <p><b>b)</b> Positive</p>
<b>Relevant Charging Methodology Objective:</b>	Not Applicable

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

As a developer GFD supports more flexibility in options and increased competition and efficiency for connection to the network. This modification will encourage the growth of the green gas sector, much needed for decarbonisation.

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

Projects are awaiting a decision currently so within 3-6 months should be targeted for implementation (as soon as possible).

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

This could reduce costs for some projects for example the use of different materials could become more feasible and the adoption of the connection pipeline is difficult due to easements.

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

N/A

**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.*

N/A

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

Green gas and Biomethane projects will be encouraged by greater flexibility such as this modification proposed.

## Representation - Draft Modification Report UNC 0842

### Gas Entry onto the Total system via an Independent Gas Transporter

Responses invited by: **5pm on 26 January 2024**

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>	Nic Crowe, Development Director
<b>Organisation:</b>	Grissan Renewable Energy
<b>Date of Representation:</b>	25 January 2024
<b>Support or oppose implementation?</b>	Support
<b>Relevant Objective:</b>	<p><b>a)</b> Positive</p> <p><b>b)</b> Positive</p>
<b>Relevant Charging Methodology Objective:</b>	Not Applicable

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

We support competition and the prospect of quicker, lower cost connection to the network. Green gases have a crucial role to play in meeting the UK's Net Zero target and we are supportive of measures designed to ease deployment and streamline processes associated with the building and commissioning of new plants.

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

As soon as feasibly possible. We are aware of biomethane projects awaiting this change and Gas Governance should work with industry to implement this change rapidly in order to enable further renewable deployment.

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

Increasing the means of connection to the grid should increase resilience and competition, in theory leading to reduced costs to all relevant parties over time.

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

No comment

**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

## Representation - Draft Modification Report UNC 0842

### Gas Entry onto the Total system via an Independent Gas Transporter

Responses invited by: **5pm on 26 January 2024**

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>	Darren Stockley
<b>Organisation:</b>	Ixora Energy Ltd
<b>Date of Representation:</b>	23/01/2024
<b>Support or oppose implementation?</b>	Support
<b>Relevant Objective:</b>	<b>a)</b> Positive <b>b)</b> Positive
<b>Relevant Charging Methodology Objective:</b>	Not Applicable

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

We support competition and the prospect of quicker, lower cost connection to the network. Having this option does not reduce any other options

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

We have a project which could be commissioned in summer 24 that could take advantage of this option. This timing seems a reasonable target for implementation

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

It may reduce our costs on some projects for example, if the adoption of the connection pipeline is difficult due to easements

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

No comment

**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**

With the necessary expansion of UK Green Gas production, as part of the UK Net Zero strategy, biomethane projects need further innovation to help reduce the costs and ensure ongoing viability of this technology



## Representation - Draft Modification Report UNC 0842

### Gas Entry onto the Total system via an Independent Gas Transporter

**Responses invited by: 5pm on 26 January 2024**

**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>	David Mitchell
<b>Organisation:</b>	Scotland Gas Networks Plc & Southern Gas Networks Plc
<b>Date of Representation:</b>	12/01/24
<b>Support or oppose implementation?</b>	Support
<b>Relevant Objective:</b>	<p><b>a)</b> Positive</p> <p><b>b)</b> Positive</p>
<b>Relevant Charging Methodology Objective:</b>	Not Applicable

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

As proposer of this modification SGN supports its implementation as it will facilitate gas flow into the total system from an Independent Gas Transporter (iGT) pipeline via a Distribution Network Operator (DNO) network. Currently the Uniform Network Code is silent on a situation where gas can flow onto the Total System from a DNO via an iGT pipeline, hence this modification will address this gap by establishing the necessary arrangements between the iGT, the DNO and the Deliver Facility Operator (gas producer). This modification will align to the requirements of the Green Gas Support scheme, which requires gas to be entered into a licensed gas Transporters network by facilitating iGT's to lay a pipeline to enter gas, therefore this modification ultimately supports the expansion of UK produced gas entering the Total System via a DNO Network.

In order for the gas to enter the Total System the DNO, IGT and the gas production operator will enter into an agreement to manage and operate the gas composition, flow and metering of the gas ultimately onto the Total System and this process will use existing industry systems and infrastructure.

This modification will facilitate relevant objective a) The efficient and economic operation of the pipeline system by using the existing system infrastructure and it will also discharge relevant objective b) Co-ordinated efficient economic operation of the combined pipeline system and /or the pipeline system of one or more other relevant gas transporters as Gas Producers wanting to inject new sources of gas onto the Total System will be able to use and iGT to provide this service.

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

This modification can be implemented as soon as practicable following an authority decision to do so, however we are mindful that iGT UNC modification 0172 also needs to be considered and implemented by the authority therefore we would recommend that both modifications are considered and implemented in parallel.

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

If this modification is implemented, we expect that any development and ongoing cost will be minimal.

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

As proposer of this modification, we have worked closely with the lawyers to produce the legal text therefore we are satisfied that the legal text will deliver the solution.

**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.*

There are no errors or omissions that we are aware of in the modification report.

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

During the development of this modification, it was identified that there wouldn't be any impacts to Central Systems such as UK Link and Gemini therefore this process can use the existing IT systems without the need for any costly change or extended system development periods.

## Representation - Draft Modification Report UNC 0842

### Gas Entry onto the Total system via an Independent Gas Transporter

Responses invited by: **5pm on 26 January 2024**

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>	Tom Stuart
<b>Organisation:</b>	Wales & West Utilities
<b>Date of Representation:</b>	26 January 2024
<b>Support or oppose implementation?</b>	Comments
<b>Relevant Objective:</b>	
<b>Relevant Charging Methodology Objective:</b>	Not Applicable

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

Facilitating the entry of green gas into the network is a principle we actively support as it furthers the decarbonisation of the energy system and supports the UK in reaching its Net Zero targets. On the 20<sup>th</sup> of April 2023 WWU submitted an initial representation expressing our views of a preferred approach and whilst some of those views have been addressed, we believe that others are still valid. For this reason, we offer comments on the final modification.

Our initial response stated:

*We realise that there may be good reasons why the producer wishes to use an IGT rather than connect directly to the DNO network; however, if that approach is taken then the IGT needs to accept and fulfil its obligations.*

*As the entry point will be connected to the IGT network then logically Ofgem will direct, using powers in Gas Act section 12, the IGT not the DN to measure the CV of the gas entering the network. Costs incurred in doing this will be incurred by the IGT and should be charged to the entrant appropriately. No obligations or costs should be incurred by the DNO. If the IGT would prefer the DN, or another party, to manage the entry point then this can be arranged through a bilateral contract.*

We are encouraged by the inclusion of provisions within the modification to address this last point.

The Modification places an obligation on parties to engage in a tri-partite agreement. It

is important to note that this obligation relates only to the scenario described in the modification. Our initial representation stated:

*We believe this type of agreement can be unnecessarily complicated and can make obligations for parties unclear.*

We maintain our view that the relevant parties should be able to choose what type of agreement to engage in.

Our initial representation stated:

*Our preference is that the IGT should have an entry agreement with the producer and the DNO and the IGT should also have an entry agreement with obligations suitably backed off in each. We believe this would be a better approach and makes clear that all parties are responsible for their own obligations.*

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

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

The DN may be exposed to costs associated with managing the IGT system entry point if the IGT does not fulfil its obligations.

**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