

Representation - Draft Modification Report 0581S

Amending the Oxygen content limit specified in the Network Entry Agreements at Grain LNG

Responses invited by: **5pm 13 May 2016**

To: enquiries@gasgovernance.co.uk

Representative:	Graham Jack
Organisation:	British Gas Trading Limited
Date of Representation:	12 May 2016
Support or oppose implementation?	Support
Relevant Objective:	d) (i) Positive d) (ii) Positive d) (iii) None

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

By allowing a modest increase in the oxygen content of gas delivered to the system at the Isle of Grain, more gas will be attracted to the UK market and this will better facilitate competition in gas shipping and gas supply. There should also be benefits for security of gas supply and market liquidity.

In addition to the above benefits, the modification proposal merits implementation on the basis that:

- An identical proposal (0561S) was implemented, towards the end of 2015, in respect of gas flowing via the BBL interconnector; and
- The requested level of oxygen content still sits well below the limit prescribed by the Gas Safety (Management) Regulations; and
- Evidence has been provided to show that the majority of other system entry points can flow gas into the system with much higher oxygen content limits than the limit being requested for the Isle of Grain.

Self-Governance Statement: *Please provide your views on the self-governance statement.*

Self-governance is appropriate and consistent with similar proposals in the past. The modification proposal was introduced at the Transmission Workgroup meeting in early April and the intention to use the self-governance process was highlighted at the time with no objections being raised.

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

The lead time should be as short as possible and consistent with self-governance arrangements.

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

We have identified no costs or negative impacts.

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