

Representation - Draft Modification Report UNC 0848S

Alignment of Entry and Exit Capacity Constraint Management Provisions

Responses invited by: 5pm on 11 September 2023

To: enquiries@gasgovernance.co.uk

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

Representative:	Phil Lucas
Organisation:	National Gas Transmission
Date of Representation:	11 September 2023
Support or oppose implementation?	Support
Relevant Objective:	a) None c) Positive d) Positive
Relevant Charging Methodology Objective:	Not Applicable

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

As the Proposer, National Gas Transmission (NGT) supports implementation of this Proposal. It seeks to address the inconsistency in the UNC regarding the management of capacity constraints at Entry and Exit as set in the Proposal. Alignment of the provisions relating to the management of capacity constraints at Exit with the existing provisions relating to Entry would enhance the clarity of the UNC arrangements and better reflect the approach taken by NGT in the circumstances as set out in the System Management Principles Statement (SMPS) and the Exit Capacity Release Methodology (ExCR), both of which are subject to approval by the Authority as set out in NGT's Licence.

NGT believes that implementation would better facilitate the efficient discharge of obligations in our Licence relating to the requirement for NGT to comply with the SMPS and ExCR (code relevant objective (c)). Further, we believe that the mechanisms set out in these Methodology Statements reflect the most efficient means of managing capacity constraints at Exit which therefore minimises the costs of System Operation which are borne by all Users. Limiting the extent of such 'pass through' costs (for example, incurred from Locational Actions and/or capacity buybacks) will contribute to securing effective competition between relevant Shippers (relevant objective (d)).

Self-Governance Statement:

NGT believes the application of self-governance procedures is appropriate in this case as the nature of the proposed change is to merely provide clarity and transparency in the UNC regarding the arrangements relating to, and tools available to NGT, where an Exit Capacity Constraint is foreseen as set out in the SMPS. NGT currently operates in accordance with ExCR and the SMPS and therefore is able to withhold the release of Daily Firm NTS Exit Capacity where an Exit Capacity Constraint is foreseen. Hence in terms of the operational approach, there would be no change.

Implementation:

From an NGT perspective there are no systems or operational changes required in the event of implementation hence there is no requirement for any lead time ahead of implementation.

Impacts and Costs:

From an NGT perspective there would no specific implementation impacts or costs of implementation.

Legal Text:

NGT is satisfied that the legal text delivers the intent of the Solution.

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

NGT has not identified any such errors or omissions.

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

N/A