

## Representation - Draft Modification Report UNC 0645S

### Amending the oxygen content limit in the Network Entry Agreement at South Hook LNG

Responses invited by: **5pm on 27 April 2018**

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

<b>Representative:</b>	Alexander Yankovskiy
<b>Organisation:</b>	Gazprom Marketing & Trading
<b>Date of Representation:</b>	27 <sup>th</sup> April 2018
<b>Support or oppose implementation?</b>	Support
<b>Relevant Objective:</b>	d) Positive

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

This proposal allows for an increase in the oxygen content limit in the South Hook LNG – National Grid Network Entry Agreement (NEA) to 0.02mol%. This helps to reduce the risk of any operational constraints at the terminal due to an oxygen limit breach, and ensure that gas can flow from the terminal uninterrupted. We believe this will contribute to market liquidity and security of supply. As highlighted in the workgroup report, the requested change in the oxygen content limit can be accommodated without negatively impacting the integrity of the NTS.

We also note from page 7 of the report that the penetration analysis represents conservative scenarios in terms of the levels of oxygen assumed to be in the system. Despite this, the analysis concludes that a very small breakthrough of gas with an oxygen content of up to 0.005 mol % and 0.015 mol % (in the summer and winter respectively) could penetrate to the North West region. This is far outweighed by the potential to facilitate GB market access to a wider range of gas sources.

It must also be noted that a similar enabling mod was approved at Grain LNG.

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

We agree that the proposal is suitable for self-governance.

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

As soon as practically possible.

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

None.

**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.*

No comments.

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

No further comments.