

Representation - Draft Modification Report UNC 0858S

Amendment to Network Entry Provision at Shell St Fergus Terminal

Responses invited by: 5pm on 19 October 2023

To: enquiries@gasgovernance.co.uk

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

Representative:	Chris Wright
Organisation:	Esso Exploration and Production UK Limited (EPUK)
Date of Representation:	19 October 2023
Support or oppose implementation?	Support
Relevant Objective:	a) Positive d) Positive
Relevant Charging Methodology Objective:	Not Applicable

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

Self-governance Modification 0826S was implemented with effect from 11 January 2023, allowing the Shell St Fergus terminal to benefit from a small but important increase in its upper Wobbe limit – as set out in its Network Entry Agreement (NEA) - from 51.2MJ/M3 to 51.4MJ/M3 for a period of one year. The temporary nature of that Modification was designed to allow any issues associated with this increase to be considered.

To the best of our knowledge no issues associated with this increase in permitted upper Wobbe have been identified since this new limit has been in force. The period of the temporary Wobbe limit increase is now set to expire, and this new Modification proposes to make the upper limit of 51.4MJ/M3 permanent within the NEA.

Having the flexibility to deliver gas up to the new, higher Wobbe limit has the potential to enhance security of supply. Where it is utilised, this will tend to apply downward pressure on wholesale energy prices to the benefit of end consumers. Increasing utilisation of the pipeline network is also positive for Relevant Objective (a). Aligning the Shell terminal upper Wobbe limit more closely with network entry arrangements enjoyed at other GB

delivery facilities will also better secure effective competition between gas shippers, to the benefit of Relevant Objective (d).

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

In line with the preceding Modification 0826S, we agree that this Modification proposal 0858S meets the criteria for self-governance.

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

We believe that this Modification should take effect no later than the expiry of the temporary arrangements set out in Modification 0826S.

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 Solutio*

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 change to UNC wording is required.

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

N/A