

Representation - Draft Modification Report UNC 0833 (Urgent)

Enabling Demand Side Response (DSR) Market Offers to be made by Non-Trading System Transactions

Responses invited by: 5pm on 02 December 2022

To: enquiries@gasgovernance.co.uk

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

Representative:	Matthew Newman
Organisation:	National Grid NTS
Date of Representation:	02/12/22
Support or oppose implementation?	Support
Relevant Objective:	a) Positive b) Positive
Relevant Charging Methodology Objective:	Not Applicable* <i>delete as appropriate</i>

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

As proposer of this Modification, National Grid NTS (NGG) supports its implementation. NGG believe that the proposed changes to the Non-Trading System Transactions to make them compatible with DSR Offers further enhances the DSR reforms introduced through UNC Modification 0822.

If implemented, UNC0833 could allow NGG to gain access to additional DSR volume during a period of potential supply tightness which would not otherwise be available, thus reducing the likelihood, severity and duration of a Gas Deficit Emergency (GDE).

We believe Relevant Objectives a) “Efficient and economic operation of the pipe-line system” is furthered by this Modification, which is designed to encourage further voluntary curtailment and thus mitigate the risk of supply shortages escalating to a GDE. Should the Network Emergency Coordinator (NEC) declare an GDE and it progresses through to a Stage 2 Emergency, compulsory firm load shedding may commence which would result in disruption and inefficiency in the operation and use of the pipe line system as some parties would be prevented from taking gas.

Relevant Object 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” is also furthered by this Modification due to its mitigation of a GDE being declared. If such an event occurred, in addition to firm load shedding on the NTS, Gas Distribution Networks may be given instructions to implement the shedding of firm loads within their networks resulting in disruption and inefficiency at LDZ level too.

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

Implementation should be on the next business day following the Authority decision to give certainty to parties that may wish to participate in the invitation to offer.

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

N/A

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 errors or omissions have been identified. However, due to the nature of Urgent Modifications and the reduced timescales associated to them, it is possible for errors, omissions or unintended consequences / impacts to become apparent at a later point. However, having worked with the relevant shippers to explore other options, NGG has been unable to identify an alternative route for implementation of this change to access additional DSR volumes outside of the OCM in the timescales we are working towards.

NGG are aware of the provisions of the Modification rules in respect of Urgent Modifications and would support a post-implementation discussion in the relevant workgroup and or panel. If any errors are identified these can be rectified following these discussions.

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

N/A