

UNC Modification	At what stage is this document in the process?
<h1>UNC 0775:</h1> <h2>Amendment to the Requirement to Conduct the Transporting Britain's Energy Consultation</h2>	<div style="display: flex; flex-direction: column; gap: 10px;"> <div style="border: 1px solid green; background-color: #008000; color: white; padding: 5px; display: flex; align-items: center; justify-content: center;"> 01 Modification </div> <div style="border: 1px solid blue; padding: 5px; display: flex; align-items: center; justify-content: center;"> 02 Workgroup Report </div> <div style="border: 1px solid purple; padding: 5px; display: flex; align-items: center; justify-content: center;"> 03 Draft Modification Report </div> <div style="border: 1px solid orange; padding: 5px; display: flex; align-items: center; justify-content: center;"> 04 Final Modification Report </div> </div>
<p>Purpose of Modification:</p> <p>This Modification seeks to remove the obligation detailed in UNC TPD Section O for National Grid NTS (NGG NTS) to conduct the Transporting Britain's Energy (TBE) consultation process in January of each year and instead permit NGG NTS to issue the consultation once per year on a discretionary basis, providing an appropriate period of notice is given to Users.</p>	
<p>Next Steps:</p> <p>The Proposer recommends that this Modification should be:</p> <ul style="list-style-type: none"> subject to Self-Governance assessed by a Workgroup <p>This Modification will be presented by the Proposer to the Panel on 15 July 2021. The Panel will consider the Proposer's recommendation and determine the appropriate route.</p>	
<p>Impacted Parties:</p> <p>High:</p> <p>Low: Shippers, Transporters, Consumers</p> <p>None:</p>	
<p>Impacted Codes:</p> <p>UNC</p>	

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Timetable		
Modification timetable:		
Pre-Modification Discussed	01 July 2021	
Date Modification Raised	02 July 2021	
New Modification to be considered by Panel	15 July 2021	
First Workgroup Meeting	05 August 2021	
Workgroup Report to be presented to Panel	16 September 2021	
Draft Modification Report issued for consultation	16 September 2021	
Consultation Close-out for representations	07 October 2021	
Final Modification Report available for Panel	11 October 2021	
Modification Panel decision	21 October 2021	

 Any questions?

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1 Summary

What

This Modification proposes to amend National Grid NTS's (NGG NTS's) obligations around the publication of the Transporting Britain's Energy (TBE) consultation. UNC TPD Section O currently states that NGG NTS will conduct a consultation process in January each year. With the implementation of this modification, the consultation will be instead issued at NGG NTS's discretion, not more than once per year, with Users provided with a 90-day advance notice period.

Why

UNC TPD Section O obliges NGG NTS to issue a TBE consultation in January each year. Upon the issue of the consultation, Users are obliged under UNC to provide NGG NTS with estimates for specific supply and demand information, as well as any other further information as may reasonably be requested. In recent years the way in which NGG NTS collects this information has evolved, with a wide variety of information now collected through the Future Energy Scenarios (FES) process. The FES process provides NGG with more granular and detailed data than the specific data that would be requested through the TBE process and therefore the absolute requirement to run this consultation is no longer necessary. By not conducting the TBE consultation process, there are efficiency and resource savings across the industry as Users do not have to provide NGG NTS with information that can be gained from an alternative industry process. The implementation of this Modification will ensure that the TBE rules contained within UNC are the most appropriate for the information collection process of today, better reflecting current practice, whilst maintaining the optionality to utilise the consultation in the future should the need arise.

How

This Modification proposes changes to UNC TPD Section O 3.1 to remove the obligation for NGG to conduct the Transporting Britain's Energy consultation process in January each year and instead allow National Grid to issue a discretionary consultation no more than once per year, providing an advance notice of 90 days.

The ability to issue the consultation on a discretionary basis would be retained in order to future-proof the process. Therefore, no changes are proposed to the information that would be requested as part of any TBE consultation that is required.

2 Governance

Justification for Self-Governance

This Modification seeks to remove the obligation for NGG NTS to conduct the TBE consultation at a specific time each year and replace it with an option to conduct the process in the event that it is required. It should therefore be considered as a self-governance Modification since it will not have a material impact on consumers, competition, operation of the pipeline systems, matters relating to sustainable development, safety or security of supply, the management of market or network emergencies, governance procedures, and will not discriminate between different classes of parties to the UNC.

Requested Next Steps

This Modification should:

- be considered a non-material change and subject to Self-Governance procedures.
- be assessed by a Workgroup.

3 Why Change?

UNC TPD Section O 'Transporting Britain's Energy' contains an obligation on NGG NTS to conduct the Transporting Britain's Energy consultation in January each year. Upon the issue of the consultation, Users are required to provide for each Entry or Exit Point, estimates for 1 in 20 peak demand, seasonal normal demand, availability of supply and any other reasonable information requested for years 1 to 3. Users may also provide the same information for years 4 to 5. This supply and demand information is used by NGG NTS in a number of ways, but principally feeds into the NGG NTS Gas Ten Year Statement that is published annually.

In recent years the way in which NGG NTS collects this information has evolved, with a wide variety of information now collected through the FES process. The information collected through the annual FES stakeholder engagement process, which runs from November to May each year, comes from a number of sources, including bilateral meetings, surveys, and workshops. This is provided to NGGT by National Grid Electricity System Operator (NGESO) through a general services agreement. This information goes above and beyond the specific information requested through the TBE consultation outlined in UNC TPD Section O and therefore provides NGG NTS with greater insight into supply and demand to inform the development of the Gas Ten Year Statement.

The information provision through the FES process is likely to continue to be the optimal route for NGG NTS to obtain the necessary supply and demand forecast information for the foreseeable future. However, this may not always be the case, and therefore, in order to future proof the process, NGG NTS proposes to retain the ability to issue the consultation on a discretionary basis if necessary, in years to come.

In not conducting the TBE consultation process, efficiency and resource savings are realised for both NGG NTS and the wider industry as Users do not have to provide information through another process when the specific information and more is already available to NGG NTS via other contractual sources. Additionally, the removal of the obligation to issue the consultation in January each year will ensure the UNC better reflects current practice and is appropriate for today and the foreseeable future.

4 Code Specific Matters

Reference Documents

[UNC TPD Section O – System Planning](#)

[National Grid ESO 2020 FES Stakeholder Engagement Document](#)

Knowledge/Skills

No additional Knowledge/skills required

5 Solution

This Modification seeks to amend UNC TPD Section O 3.1 to remove the obligation to conduct the TBE consultation in January each year. The change in code will indicate:

- a) That the TBE consultation may be issued once per year at NGG NTS's discretion.

- b) A notice period of 90 days in advance of the consultation being issued will be provided to industry in the event that NGG NTS needs to issue the TBE consultation.

For the avoidance of doubt, no changes are proposed to the information that can be requested as part of the TBE consultation process or the obligation on Users to provide such information as detailed in UNC TPD Section O 3.2-3.5.

6 Impacts & Other Considerations

Does this Modification impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

None.

Consumer Impacts

This Modification aims to provide efficiencies to the industry by removing the requirement to conduct an annual consultation process that is not currently required. By changing the Code in such a way as set out in the solution, the proposer feels that there will be a benefit to all consumer groups through enabling the process to be more efficient by removing any duplication which may have occurred.

What is the current consumer experience and what would the new consumer experience be?

The process, as it is today, could result in an unnecessary resource burden on NGG NTS and members of the industry due to the requirement to issue or respond to a consultation process that is not currently required. The implementation of this modification would provide efficiency and resource savings to industry which may lead to benefits to market participants and therefore by extension, end consumers.

Impact of the change on Consumer Benefit Areas:	
Area	Identified impact
Improved safety and reliability	None
<p>Lower bills than would otherwise be the case</p> <p>A secondary, minor benefit to end consumers provided by this Modification is lower bills than would otherwise be the case. The removal of the annual obligation to conduct the TBE consultation would provide efficiency and resource savings across the industry directly benefiting very large consumers. The more efficient use of industry resource would also be reasonably expected to result in savings to be passed on to smaller end consumers that are not connected directly to the NTS.</p>	Positive
Reduced environmental damage	None

Improved quality of service The primary consumer benefit provided by this Modification is an improved quality of service. The TBE process is not currently needed and by removing the requirement to complete it annually, interactions in the value chain across the industry will become more efficient, ultimately benefitting end consumers of all sizes.	Positive
Benefits for society as a whole	None

Cross-Code Impacts

None.

EU Code Impacts

None.

Central Systems Impacts

None.

7 Relevant Objectives

Impact of the Modification on the Transporters' Relevant Objectives:

Relevant Objective	Identified impact
a) Efficient and economic operation of the pipe-line system.	None
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.	None
c) Efficient discharge of the licensee's obligations.	None
d) Securing of effective competition: (i) between relevant shippers; (ii) between relevant suppliers; and/or (iii) between DN operators (who have entered into transportation arrangements with other relevant gas transporters) and relevant shippers.	None
e) Provision of reasonable economic incentives for relevant suppliers to secure that the domestic customer supply security standards... are satisfied as respects the availability of gas to their domestic customers.	None
f) Promotion of efficiency in the implementation and administration of the Code.	Positive

g) Compliance with the Regulation and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators.	None
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The implementation of this Modification and the associated removal of the requirement to conduct TBE consultation process each year will result in efficiency and resource savings realised for both NGG NTS and the wider industry. Users will not have to provide information to NGG NTS through a process when it is not required due to that specific information and more being available to NGG NTS via other contractual sources. This Modification therefore furthers relevant objective F in promoting efficiency in the implementation and administration of the Code .

8 Implementation

As Self-Governance procedures are proposed, implementation could be sixteen business days after a Modification Panel decision to implement, subject to no Appeal being raised.

9 Legal Text

Text Commentary

to be developed

Text

to be developed

10 Recommendations

Proposer's Recommendation to Panel

Panel is asked to:

- Agree Self-Governance procedures should apply.
- Refer this proposal to a Workgroup for assessment.