Distribution Workgroup Issue: Linked Capacity

Views are invited on whether there is merit in developing a linked capacity product, or an alternative solution, to address issues where firm entry and/or exit capacity is not available. This would be consistent with proposals to develop demand side responses for addressing capacity concerns.

Access to firm network capacity is an issue for some existing as well as potential biomethane plants when injecting to a distribution network. DNOs do not offer firm capacity when there is insufficient demand to use the gas that would be injected, with demand especially low in summer months. At the same time, some exit connections in the vicinity of biomethane plants cannot access capacity if the network modelling suggests that the proposed load cannot be served under some scenarios, notably if the AD plant is injecting.

In some areas where entry capacity is constrained, it would be possible to install, for example, a gas engine downstream of the biomethane entry point. By increasing demand on the system, this would be expected to mean more entry capacity would eb available and so capacity constraints can be relieved. However, networks may be concerned about offering form capacity since it would only be available on the days when the new downstream load is operating, and there is no guarantee it will be taking sufficient gas at all times to mean the entry point can be offered firm capacity.

The concept a linked entry/exit is suggested as a means of addressing this issue. In the case of an entry point, the notion is that the capacity could be curtailed on any day if the linked exit load was not consuming above the level that was assumed when capacity was offered. Similarly, the DNO would have a right to curtail gas being offtaken by a linked load if on any day the linked injection fell below the level assumed to be available when the exit capacity was offered. For the avoidance of doubt, curtailment would not eb automatic but would only occur if the network was unable to meet the requirements on any day.

This issue is especially stark in cases where neither entry nor exit capacity is available when requested. That is, enquiries show that, in the same location, no more entry capacity can be offered (due to a lack of demand), but also that no more exit capacity can be offered (due to insufficient gas being injected). While there can be a logical explanation that supports this, it does not sit well when this situation arises and a potential gas user is told that they can neither expand their gas demand at an existing site nor increase injection at their existing AD plant.