

**UNC Workgroup 0808 Minutes
Reverse Compression
Wednesday 28 June 2023
via Microsoft Teams**

Attendees

Bob Fletcher (Chair)	(BF)	Joint Office
Helen Cuin (Secretary)	(HCu)	Joint Office
Nick King (Proposer)	(NK)	Barrow Shipping
Alison Cartwright	(AC)	CNG Services
Andy Clasper	(ACI)	Cadent
Ben Hanley	(BH)	Northern Gas Networks
Charlotte Gilbert	(SG)	BU UK
David Mitchell	(DM)	SGN
Ellie Rogers	(ER)	Xoserve
Emma Buckton	(EB)	Northern Gas Networks
Guv Dosanjh	(GD)	Cadent
Jenny Rawlinson	(JR)	BU UK
Tom Stuart	(TS)	Wales & West Utilities

Please note these minutes do not replicate/include detailed content provided within any material published for the meeting, therefore it is recommended that the published material is reviewed in conjunction with these minutes. Copies of all papers are available at: <https://www.gasgovernance.co.uk/0808/280623>

The Workgroup Report is due to be presented at the UNC Modification Panel by 17 August 2023.

1.0 Introduction and Status Review

Bob Fletcher (BF) welcomed parties to the meeting. It was noted that only one Shipper was present at today's meeting.

1.1. Approval of Minutes (23 May 2023)

BF confirmed an amendment to the minutes had been requested, a copy of which had been published at: <https://www.gasgovernance.co.uk/0808/230523>. The minutes from the previous meeting were approved.

1.2. Approval of Late Papers

An amended Modification and Legal Text had been provided for Workgroup consideration as agreed at the previous meeting.

1.3. Review of Outstanding Actions

None outstanding.

2.0 Review of Business Rules and Legal Text

Nick King (NK) provided an overview of the updated Business Rules following a discussion at the previous Workgroup Meeting. All changes had been captured in Version 8.0 of the Modification published at: <https://www.gasgovernance.co.uk/0808>.

David Mitchell (DM) provided the Legal Text, based on Version 8.0 of the Modification.

Ben Hanley (BH) enquired about Business Rule 6, which related to Network entry provisions not being metered or assessed for pressure. It was anticipated that each DNO will have arrangements in place similar to the current Network Entry Agreement (NEA) provisions, which

need to adhere to the relevant Gas Safety Regulations. The corresponding Legal Text, IGTAD Section B, 3.5.5 (c) and 3.5.2 and the related conditions which needed to be met were reviewed by the Workgroup.

Guv Dosanjh (GD) enquired about the creation of IGT LDZ System Entry Points and a potential misalignment with Business Rules 1 and 4 and the Legal Text for TPD Section A 2.4. when IGTAD Section A1.1.1 only relates to CSEP System exit points where reverse-compression equipment is on site.

- 1) *Where an IGT System includes reverse compression assets, the arrangements described in these business rules shall apply (and not otherwise).*
- 2) *A new type of entry point is to be achieved by applying a prefix of 'IGT' to the existing TPD Section I 3.11.1 term 'LDZ System Entry Point', thereby creating 'IGT LDZ System Entry Point'.*

DM referred to new Section IGTAD Section B 3.5 Reverse Compression which specified the conditions and the need to have an LDZ System Network Entry Agreement in place.

GD requested that the Workgroup Report records for clarity that their view is the IGT LDZ System Entry Point should only relate to a CSEP System exit point with reverse-compression equipment on site. It was noted that should the Legal Text require a further clarification point added this could be undertaken at any point up to the UNC Panel's recommendation on implementation subject to no further amendments being required to the Modification Solution.

3.0 Development of Workgroup Report

Following the review of the Amended Modification and Legal Text, the Workgroup considered the Workgroup Report agreeing no further changes were required to the Modification.

The Workgroup considered the potential impacts on the IGT-UNC. It was noted that if the IGTs want to enter into similar arrangements this can be developed separately. It was envisaged this could be achieved by referring the IGT-UNC to the new UNC provisions.

Guv Dosanjh (GD) provided Cadent's view that the Transporters/DNOs cannot operate and develop an economic and efficient network with 3rd parties owning and operating in-grid compressors. GD clarified that Cadent would propose to own and operate the reverse-compression facilities itself.

Cadent and Northern Gas Networks (NGN) confirmed at this point in time they would not be accepting projects onto their networks, utilising this service. SGN and Wales & West Utilities (WWU) confirmed sites would be considered on a case-by-case basis.

Tom Stuart (TS) stated that there is a Gas Act obligation to develop an economical and efficient system for the transportation of gas to premises and any installation of reverse compression cannot affect this statutory obligation. WWU wished to make it clear that reverse compression will only be permitted where it does not conflict with its obligations concerning economic and efficient systems and where other measures to provide entry capacity are not sufficient.

The Workgroup considered Shipper's participation during the Workgroup's meetings and agreed to note within the finalised Workgroup Report that Shipper views other than the proposer were not available.

4.0 Next Steps

BF confirmed that the Workgroup Report had been concluded and would be presented one month early to the July UNC Modification Panel.

It was agreed that:

- DNOs could provide statements for inclusion in the Workgroup report as long as these are provided no later than Tuesday 04 July 2023; and

- If further clarification is required to the Legal Text, the relevant Transporter can submit amended Legal Text at any time before the UNC Modification Panel recommends implementation or not.

5.0 Any Other Business

5.1. Biomethane Network Capacity Provision by linking GDN and iGT pipelines

Alison Cartwright (AC) wished to inform the Workgroup of a problem encountered relating to a Biomethane Network Capacity project wishing to seek a view on how this could be rectified and if a UNC Modification would be required.

AC provided an illustration of the problem and a proposal to connect an additional Biomethane site to an existing DNO network which does not have sufficient capacity to accept this additional connection. An option is to install an IGT pipeline to an existing IGT owned system from the DNO system. This would result in a double connection to the DNO system And questions were raised to understand if this was possible based on existing Code provisions.

Andy Clasper's (ACI) view from Cadent was that currently, the UNC would not allow a connection which allows a physical gas flow from the IGT system back to the DNO system. ACI clarified a CSEP is an Exit Point and not an Entry Point and there are no provisions in the UNC to have an Entry Point. The difference between ISEPs and CSEPs was briefly considered.

The collective view from the Workgroup was this arrangement is likely to require a Modification, however further consideration of the rules was required to ensure the correct interpretation of the rules.

It was agreed that CNG and Cadent would take this discussion offline with the potential for an Issue or Pre-Modification discussion at a future Distribution Workgroup meeting.

6.0 Diary Planning

No further meetings were planned.

Further details of planned meetings are available at: www.gasgovernance.co.uk/events-calendar/month