

UNC Modification		At what stage is this document in the process?
<h1>UNC 0629:</h1> <h2>Standard Design Connections: A2O connection process modification</h2>		<div style="display: flex; flex-direction: column; gap: 5px;"> <div style="border: 1px solid green; background-color: #00a651; color: white; padding: 5px; display: flex; align-items: center; justify-content: center;"> <span style="font-weight: bold; font-size: 1.2em;">01</span> Modification         </div> <div style="border: 1px solid #00a651; padding: 5px; display: flex; align-items: center; justify-content: center;"> <span style="font-weight: bold; font-size: 1.2em;">02</span> Workgroup Report         </div> <div style="border: 1px solid #00a651; padding: 5px; display: flex; align-items: center; justify-content: center;"> <span style="font-weight: bold; font-size: 1.2em;">03</span> Draft Modification Report         </div> <div style="border: 1px solid #00a651; padding: 5px; display: flex; align-items: center; justify-content: center;"> <span style="font-weight: bold; font-size: 1.2em;">04</span> Final Modification Report         </div> </div>
<p><b>Purpose of Modification:</b></p> <p>This modification will introduce the Standard Design Connection to the A2O and construction connection processes.</p>		
	<p>The Proposer recommends that this modification should be:</p> <ul style="list-style-type: none"> <li>subject to self-governance</li> </ul> <p>This modification will be presented by the Proposer to the Panel on <b>19 October 2017</b>. The Panel will consider the Proposer's recommendation and determine the appropriate route.</p>	
	<p>High Impact:</p> <p>None</p>	
	<p>Medium Impact:</p> <p>None</p>	
	<p>Low Impact:</p> <p>Transporters, Shippers and Consumers</p>	



## 1 Summary

### What

This is a modification which seeks to introduce the concept of a Standard Design Connection to the NTS Connection Application to Offer and construction connection processes within UNC. Standard Design Connections are being developed as part of Project CLoCC<sup>1</sup> which is a Network Innovation Competition Project.

### Why

The objectives of Project CLoCC are to reduce the cost and time of connection to the NTS. This Modification is to amend the connection processes in order to be more efficient and economical for a Standard Design connection. This is possible due to new pre-appraised and pre-approved standard designs to be delivered by Project CLoCC in October 2018.

### How

To change the relevant sections of UNC in order to allow the definition of a Standard Design connection and to amend the processes associated with these types of connection.

## 2 Governance

### Justification for Self-Governance

It is proposed that this modification proposal is subject to Self-Governance procedures as it is unlikely to have a material impact on consumers, competition, operation of the pipeline system, matters relating to sustainable development, safety or security of supply, or the management of market or network emergencies, or governance procedures. In addition, it is unlikely to unduly discriminate between different classes of parties to the UNC. This is on the basis that it seeks to make a change to the current connection arrangements in order to open up the NTS to more customers.

### Requested Next Steps

This modification should:

- be considered a non-material change and subject to self-governance

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<sup>1</sup> Customer Low Cost Connections

## 3 Why Change?

### Background

Project CLoCC is a Network Innovation Competition project with the objective of reducing the time and cost of connection to the National Transmission System (NTS). Project CLoCC will deliver Standard NTS connection Designs, which are pre-appraised and pre-approved. Currently UNC defines the Connections process and this will need amending in order for the Standard Designs to be more effectively implemented and utilised by potential customers.

### Resolution

In order to deliver Project CLoCC standard designs the UNC requires amending to include the definition of a Standard Design connection which can then enable a more appropriate, efficient and economic process to be applied. It is proposed that it is appropriate to have a modified process for a Standard Design Connection as this will have different costs and timelines associated compared to a bespoke design, in order to meet the objectives of reducing the time and cost of the connection for the customer.

## 4 Code Specific Matters

### Reference Documents

TPD I, J, M, V, Y

### Knowledge/Skills

An understanding of the NTS Connections processes would be beneficial.

## 5 Solution

### Solution

It is proposed that TPD is amended to allow the following principles to apply.

1. Define a Standard Design Connection which allows a connection with a flow rate of less than 57gwh/d to connect to the NTS at a location which is verified and utilises the Standard Designs<sup>2</sup>.
2. Define Standard Designs – Pre-approved and Pre-appraised designs in accordance with T/SP/G/19 for Entry and Exit up to 300mm Minimum Offtake Connections.
3. Ensure all current UNC definitions are still applicable or updated accordingly to accommodate Standard Design connections. (e.g. V.13/Y2.12)
4. Include all new potential customer types within the Entry and Exit requirements (e.g. TPD I1.2.2/J1.4.4)
5. Allow appropriate NTS connection application fees.

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<sup>2</sup> Subject to availability of NTS Entry or NTS Exit Capacity

6. Ensure the Principles set out in TPD section Y, The Gas Transmission Connection Charging Methodology, are appropriate for all types of connection including Standard Design connection.
7. Allow National Grid NTS to offer Meter and Filter Enhancements to Standard Design connections.

## 6 Impacts & Other Considerations

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

No

### Consumer Impacts

To be determined

### Cross Code Impacts

None

### EU Code Impacts

None

### Central Systems Impacts

None

## 7 Relevant Objectives

Impact of the modification on the Relevant Objectives:

Relevant Objective	Identified impact
a) Efficient and economic operation of the pipe-line system.	Positive
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.	Positive
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	Positive

shippers.	
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.	None
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

### **OR, for Section Y (Charging Methodology) Modifications**

Impact of the modification on the Relevant Charging Methodology Objectives:	
Relevant Objective	Identified impact
a) Save in so far as paragraphs (aa) or (d) apply, that compliance with the charging methodology results in charges which reflect the costs incurred by the licensee in its transportation business;	None
aa) That, in so far as prices in respect of transportation arrangements are established by auction, either: (i) no reserve price is applied, or (ii) that reserve price is set at a level - (I) best calculated to promote efficiency and avoid undue preference in the supply of transportation services; and (II) best calculated to promote competition between gas suppliers and between gas shippers;	None
b) That, so far as is consistent with sub-paragraph (a), the charging methodology properly takes account of developments in the transportation business;	Positive
c) That, so far as is consistent with sub-paragraphs (a) and (b), compliance with the charging methodology facilitates effective competition between gas shippers and between gas suppliers; and	Positive
d) That the charging methodology reflects any alternative arrangements put in place in accordance with a determination made by the Secretary of State under paragraph 2A(a) of Standard Special Condition A27 (Disposal of Assets).	None
e) 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

This modification furthers relevant objective b).and c) because it introduces appropriate changes into the UNC to facilitate the introduction of new sources of gas connections to the NTS.

## 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.

Project CLoCC is due to deliver in October 2018 and the timetable proposed is to ensure delivery of the modification ahead of the Project delivery date.

## 9 Legal Text

### Text Commentary

To be provided following workgroup development

### Text

To be provided following workgroup development

## 10 Recommendations

### Proposer's Recommendation to Panel

- Panel is asked to:

Refer this proposal to a Workgroup for assessment.