

Representation - Modification UNC 0723 (Urgent)

Use of the Isolation Flag to identify sites with abnormal load reduction during COVID-19 period

Responses invited by: **1pm on 27 April 2020**

To: enquiries@gasgovernance.co.uk

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

Representative:	Richard Pomroy
Organisation:	Wales & West Utilities
Date of Representation:	27 th April 2020
Support or oppose implementation?	Support
Relevant Objective:	a) Positive

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

We agree that allowing sites to declare themselves isolated when they have not undertaken the necessary works is an appropriate exceptional short-term measure during the Covid 19 period. This will allow those sites that have zero or virtually zero consumption to stop having energy allocated to them and also not pay commodity transportation charges for that period. It is also available to Shippers immediately following implementation. This furthers relevant objective (a) Efficient and Economic Operation of the pipeline system.

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

This could be implemented immediately following an Authority direction.

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

WWU will be largely unaffected because commodity transportation revenue is very small compared to capacity transportation revenue.

We note that the legal text provides in Transition Document VI 4.5 that where a site has been using gas while it has been declared as isolated then it will be treated as having been re-established from the date when it started using gas above the minimum level and this is an important protection. We will expect the Performance Assurance Committee to monitor the use of this provision.

Legal Text: *Are you satisfied that the legal text will deliver the intent of the Solution?*

We are aware that NGN are continuing discussions with the legal text provider regarding which legislation should be the referenced.

We would like to record our appreciation to NGN for delivering the legal text in very short timescales.

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.*

Not applicable as this is an urgent modification.

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

We note that one response to the consultations expressed support for them all on the basis that they would reduce transportation charges. As described above this modification will not decrease transportation charges by an appreciable amount but it will allow Shippers for Class 3 and 4 sites to stop the allocation of gas to certain premises that are not using gas in the Covid 19 period.