

**Gas
Transmission**

Arrangements for Interconnectors with additional Storage capability – Pre Modification Discussion

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nationalgrid



Background

- National Grid has been informed by an Interconnector Operator that it intends to offer a short term storage service in addition to its existing transportation service
- This would enable GB shippers to offtake gas from the NTS, store it in its pipeline and subsequently deliver back to the NTS
- UNC sets out commercial arrangements for **Interconnection Points** and **Storage Connection Points** but does not contemplate these applying in respect of a single physical point

Why Change

- Aspects of the Transportation Charging Arrangements differ for Interconnection Points and Storage Connection Points
- Additional commercial arrangements required to enable application of the correct Transportation Charges for Interconnectors able to offer an additional storage service
 - Transmission Services Capacity Charge discount for Storage
 - Exemption from General Non-Transmission Services Charge for Storage flows

Solution

- UNC modified to:
 - set out the point definition
 - set out *ex-post* determination of daily quantities of National Grid capacity and flow (associated with the storage service)
 - set out any additional rules applicable for capacity
 - set out nominations and scheduling charge arrangements
 - set out allocations arrangements
 - set out the applicable Transportation Charging arrangements

Recommended Steps

- Raised for initial consideration by the Modification Panel on 18th March 2021
- Proposed for Authority Direction
 - likely to have a material effect on commercial activities related to the shipping and transportation of gas
 - establishes a framework for a new ‘dual purpose’ point
- Recommendation to issue to a Workgroup for a period of 6 months for development