

**CODE MODIFICATION PROPOSAL No 0266**  
**Amendment to Gas Quality NTS Entry Specifications for the North Morecambe**  
**Terminal**  
**Version 1.0**

**Date:** 26/08/2009

**Proposed Implementation Date:**

**Urgency:** Non Urgent

**1 The Modification Proposal**

**a) Nature and Purpose of this Proposal**

British Gas Trading Limited, as a shipper at the Barrow ASEP, in consultation with the Barrow delivery facility operator Hydrocarbon Resources Limited (HRL), proposes that the Wobbe Number (WN) which forms a part of the gas entry conditions at the North Morecambe NTS entry point be amended to reflect the WN limits contained in the Gas Safety (Management) Regulations. The table below specifies the proposed changes:

<b>Gas Quality Characteristic</b>	<b>Current Specification</b>	<b>Proposed Specification</b>
WN Lower Limit	48.2MJ/ M <sup>3</sup>	47.2MJ/M <sup>3</sup>
WN Upper Limit	51.2 M <sup>3</sup>	51.41MJ/M <sup>3</sup>

The proposer believes that if this proposal is implemented it would allow the delivery facility operator the scope to process a wider range of offshore reserves and hence facilitate additional gas flows into the NTS, enhancing both security of supply and competition between gas shippers and suppliers.

The proposer does not think that there would be any measurable impact on CV shrinkage or NTS system operation if this proposal were to be implemented, however, we would welcome National Grid's views on these points.

By way of background, no Network Entry Agreement exists for North Morecambe. Rather, the gas entry specifications for North Morecambe have their origins in a contractual agreement that was in existence prior to the advent of Network Code. The arrangements at the time for any such agreements was that upon implementation of the Network Code, the gas quality specifications were to be incorporated into and governed by the section of code dealing with Gas Entry. In today's UNC, that is TPD section I.

**b) Justification for Urgency and recommendation on the procedure and timetable to be followed (if applicable)**

This proposal is non-urgent.

- c) **Recommendation on whether this Proposal should proceed to the review procedures, the Development Phase, the Consultation Phase or be referred to a Workstream for discussion.**

The proposer has raised this proposal in time for it to be included on the agenda of the September Transmission workstream. Following discussions there, it is intended that this proposal goes before the September Modification Panel to proceed to consultation.

## 2 User Pays

- a) **Classification of the Proposal as User Pays or not and justification for classification**

This proposal does not seek to introduce any new services, nor amend any existing services or processes. It is not envisaged that its implementation should incur any costs, and the proposer therefore classifies it as non-user pays.

- b) **Identification of Users, proposed split of the recovery between Gas Transporters and Users for User Pays costs and justification**

Not applicable.

- c) **Proposed charge(s) for application of Users Pays charges to Shippers**

Not applicable.

- d) **Proposed charge for inclusion in ACS – to be completed upon receipt of cost estimate from xoserve**

Not applicable.

## 3 **Extent to which implementation of this Modification Proposal would better facilitate the achievement (for the purposes of each Transporter's Licence) of the Relevant Objectives**

The Proposer believes that the implementation of this modification would better facilitate the achievement of the Relevant Objectives by increasing the efficient and economic operation of the system further to A11.1(a). The proposal will also enhance effective competition between relevant shippers by giving shippers bringing gas into the system through the Barrow facility, the potential to increase supplies, further to A11.1 (d) (i) and (ii).

## 4 **The implications of implementing this Modification Proposal on security of supply, operation of the Total System and industry fragmentation**

Implementation of this proposal may have a marginal benefit upon security of supply by making available greater quantities of gas ahead of a gas supply emergency.

**5 The implications for Transporters and each Transporter of implementing this Modification Proposal, including:**

**a) The implications for operation of the System:**

None identified.

**b) The development and capital cost and operating cost implications:**

None identified.

**c) Whether it is appropriate to recover all or any of the costs and, if so, a proposal for the most appropriate way for these costs to be recovered:**

No costs are expected to be incurred.

**d) The consequence (if any) on the level of contractual risk of each Transporter under the Uniform Network Code of the Individual Network Codes proposed to be modified by this Modification Proposal**

It is not envisaged that the proposal will result in any change to the level of contractual risk to National Grid Gas.

**6 The extent to which the implementation is required to enable each Transporter to facilitate compliance with a safety notice from the Health and Safety Executive pursuant to Standard Condition A11 (14) (Transporters Only)**

Not applicable.

**7 The development implications and other implications for the UK Link System of the Transporter, related computer systems of each Transporter and related computer systems of Users**

No such implications identified.

**8 The implications for Users of implementing the Modification Proposal, including:**

**a) The administrative and operational implications (including impact upon manual processes and procedures)**

No such implications identified.

**b) The development and capital cost and operating cost implications**

No such costs identified.

**c) The consequence (if any) on the level of contractual risk of Users under the Uniform Network Code of the Individual Network Codes proposed to be modified by this Modification Proposal**

None identified.

- 9 The implications of the implementation for other relevant persons (including, but without limitation, Users, Connected System Operators, Consumers, Terminal Operators, Storage Operators, Suppliers and producers and, to the extent not so otherwise addressed, any Non-Code Party)**

No such consequences have been identified.

- 10 Consequences on the legislative and regulatory obligations and contractual relationships of the Transporters**

No such consequences have been identified.

- 11 Analysis of any advantages or disadvantages of implementation of the Modification Proposal not otherwise identified in paragraphs 2 to 10 above**

**Advantages**

As above.

**Disadvantages**

None identified.

- 12 Summary of representations received as a result of consultation by the Proposer (to the extent that the import of those representations are not reflected elsewhere in this Proposal)**

None received

- 13 Detail of all other representations received and considered by the Proposer**

None received

- 14 Any other matter the Proposer considers needs to be addressed**

None

- 15 Recommendations on the time scale for the implementation of the whole or any part of this Modification Proposal**

Although there is no defined deadline for implementation of this proposal, the proposer is seeking the earliest possible implementation date and believes that 1 November 2009 should be achievable.

- 16 Comments on Suggested Text**

- 17 Suggested Text**

**Code Concerned, sections and paragraphs**

Uniform Network Code

Transportation Principal Document

**Section(s)**

**Proposer's Representative**

*Chris Wright*

**Proposer**

*Chris Wright (British Gas Trading Limited)*