

Stage 01: Proposal

0414:

Discontinuation of ANS usage for Interruption Communications by Transporters

This proposal aims to remove the obligation on transporters to use the Active Notification System (ANS) for the revised interruption communications



The Proposer recommends that this self-governance modification should be submitted to a workgroup for assessment



Low Impact:
Transporters and Shippers

What stage is this document in the process?

- 01 Proposal
- 02 Workgroup Report
- 03 Draft Modification Report
- 04 Final Modification Report

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3 **Any questions?**

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About this document:

This document is a modification, which will be presented by the Proposer to the Panel on 16 February 2012. The Panel will consider the Proposer's recommendation, and agree whether this proposed self-governance modification should proceed to consultation or be referred to a Workgroup for assessment.

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1 Summary

Is this a Self-Governance Modification

SGN believe that this modification should be a candidate for self governance as it will be unlikely to have material impact on:

- Existing or future gas consumers; or
- Competition in the shipping, transportation or supply of gas; or
- The operation of one or more gas pipelines; or
- Matters relating to sustainable development, safety or security of supply; or
- The Uniform Network Code governance procedures or modification procedures

Why Change?

The current Active Notification System (ANS) within UK Link Services is currently noted in the UNC and UK Link Manual for Interruption notifications. However, no shippers have opted to use this method of communication (this is now carried out by facsimile or telephone) and so maintaining access to this system is imposing an unnecessary cost across DNOs.

For the avoidance of doubt, this modification is not looking to remove the usage of ANS for other National Grid Transmission communications including Gas Balancing Alerts and emergencies.

Solution

This proposal will remove the transporter obligation to use the Active Notification System for the revised interruption communications process in the UNC and UK Link Manual

Impacts & Costs

No negative impacts have been identified in relation to the implementation of this proposal and there are no identified costs associated with implementation.

Implementation

As self-governance procedures are proposed, implementation could be 16 business days after a Modification Panel decision to implement.

The Case for Change

The current obligations to use ANS in the UNC and UK Link Manual are redundant as this method of communications is no longer used for the revised interruption notifications and maintaining access to this system is imposing an unnecessary cost on DNOs.

Recommendations

We recommend that this modification proposal proceeds to a workgroup for assessment

2 Why Change?

The UK Link Network is the communication infrastructure which allows the Transporters to communicate with UK Link Users and vice versa. One of the services within UK Link is the Active Notification System (ANS) which is used to communicate urgent information to all relevant UK Link users where a timely response is needed. The types of instances for which ANS was originally designed include transportation constraints, interruption notifications, emergency communications, flexibility bids and total system demand forecasts. Please note that a majority of these scenarios will still require ANS to be used by National Grid Transmission which is not in scope of this modification.

ANS transmits messages over a mobile radio network service to a remote messaging device held by each UK Link User (Active Notification Device). This device allows the Network Owners and National Grid Transmission to monitor delivery receipts to ensure all messages are delivered.

Historically ANS has been an option to be used for Interruption Notices, where the shippers opt for this method. Since the implementation of Interruption Reform no shippers have opted to receive communications using ANS and communication is now carried out by telephone or facsimile. As the obligations are still in place in the UNC and UK Link Manual, DNOs continue to incur costs to ensure access to the system although ANS is now not in use by DNOs for any purposes.

To clarify, the only current UNC obligation on DNOs to use ANS is for interruption communication purposes. There is no obligation on DNOs to use ANS for the communication of local gas supply emergencies; these are communicated through the National Gas Incident Site (used by Scotia Gas Networks, Northern Gas Networks and National Grid Distribution) or the Wales & West incident notification system as per the DNO Emergency Procedures.

3 Solution

This proposal will remove the requirement for transporters to use the Active Notification System and Active Notification Device from the UNC and UK Link Manual in regards to Interruption communications (removing UNC TPD Section G 6.9 and amending UK Link Manual Appendix 5B from using ANS to telephone/facsimile for relevant Interruption communications).

For the avoidance of doubt, this modification is not looking to alter National Grid Transmission's use of ANS for Emergency communications, Forecast system demand, Transportation constraints or Non-compliant gas notifications.

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4 Relevant Objectives

Implementation is expected to better facilitate the achievement of **Relevant Objectives a and f.**

Proposer's view of the benefits against the Code Relevant Objectives	
Description of Relevant Objective	Identified impact
a) Efficient and economic operation of the pipe-line system.	Yes
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.	
c) Efficient discharge of the licensee's obligations.	
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 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.	
f) Promotion of efficiency in the implementation and administration of the Code	Yes
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	

Maintaining access to ANS is imposing an unnecessary cost on DNOs and so by removing the redundant system (for DNO purposes) we believe this will better facilitate **Relevant Objective a)** the efficient and economic operation of the pipeline.

UNC TPD Section G6.9 is now redundant as batch transfer is no longer in use for interruption notifications hence not requiring the related ANS communication. This modification can be seen to promote the efficient administration of the code as per **Relevant Objective f)** by removing this redundant section.

5 Impacts and Costs

Consideration of Wider Industry Impacts

No wider industry impacts have been identified

Costs

Indicative industry costs – User Pays
Classification of the proposal as User Pays or not and justification for classification
Not User Pays
Identification of Users, proposed split of the recovery between Gas Transporters and Users for User Pays costs and justification
Proposed charge(s) for application of Users Pays charges to Shippers
Proposed charge for inclusion in ACS – to be completed upon receipt of cost estimate from Xoserve

Impacts

Impact on Transporters' Systems and Process	
Transporters' System/Process	Potential impact
UK Link	<ul style="list-style-type: none"> • Yes
Operational Processes	<ul style="list-style-type: none"> • Yes
User Pays implications	<ul style="list-style-type: none"> • None

Impact on Users	
Area of Users' business	Potential impact
Administrative and operational	<ul style="list-style-type: none"> • TBC
Development, capital and operating costs	<ul style="list-style-type: none"> • TBC
Contractual risks	<ul style="list-style-type: none"> • None
Legislative, regulatory and contractual obligations and relationships	<ul style="list-style-type: none"> • None

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Where can I find details of the UNC Standards of Service?

In the Revised FMR for Transco's Network Code Modification

0565 Transco Proposal for Revision of Network Code Standards of Service at the

following location:

www.gasgovernance.co.uk/sites/default/files/0565.zip

Impact on Transporters	
Area of Transporters' business	Potential impact
System operation	<ul style="list-style-type: none">• Yes
Development, capital and operating costs	<ul style="list-style-type: none">• Yes
Recovery of costs	<ul style="list-style-type: none">• None
Price regulation	<ul style="list-style-type: none">• None
Contractual risks	<ul style="list-style-type: none">• None
Legislative, regulatory and contractual obligations and relationships	<ul style="list-style-type: none">• None
Standards of service	<ul style="list-style-type: none">• None

Impact on Code Administration	
Area of Code Administration	Potential impact
Modification Rules	<ul style="list-style-type: none">• None
UNC Committees	<ul style="list-style-type: none">• None
General administration	<ul style="list-style-type: none">• None

Impact on Code	
Code section	Potential impact
TPD U 4.6	<ul style="list-style-type: none">• Yes
	<ul style="list-style-type: none">•

Impact on UNC Related Documents and Other Referenced Documents	
Related Document	Potential impact
Network Entry Agreement (TPD I1.3)	<ul style="list-style-type: none">• None
Network Exit Agreement (Including Connected System Exit Points) (TPD J1.5.4)	<ul style="list-style-type: none">• None
Storage Connection Agreement (TPD R1.3.1)	<ul style="list-style-type: none">• None
UK Link Manual (TPD U1.4)	<ul style="list-style-type: none">• Yes
Network Code Operations Reporting Manual (TPD V12)	<ul style="list-style-type: none">• None
Network Code Validation Rules (TPD V12)	<ul style="list-style-type: none">• None

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Impact on UNC Related Documents and Other Referenced Documents	
ECQ Methodology (TPD V12)	• None
Measurement Error Notification Guidelines (TPD V12)	• None
Energy Balancing Credit Rules (TPD X2.1)	• None
Uniform Network Code Standards of Service (Various)	• None

Impact on Core Industry Documents and other documents	
Document	Potential impact
Safety Case or other document under Gas Safety (Management) Regulations	• None
Gas Transporter Licence	• None

Other Impacts	
Item impacted	Potential impact
Security of Supply	• None
Operation of the Total System	• None
Industry fragmentation	• None
Terminal operators, consumers, connected system operators, suppliers, producers and other non code parties	• None

6 Implementation

As self-governance procedures are proposed, implementation could be 16 business days after a Modification Panel decision to implement.

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7 The Case for Change

In addition to that identified the above, the Proposer has identified the following:

Advantages

None identified

Disadvantages

None identified

8 Legal Text

Legal text to be provided separately at a later date

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9 Recommendation



The Proposer invites the Panel to:

- DETERMINE that Modification 0414 progress to a Workgroup for assessment.

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