

Workgroup Terms of Reference

Development of a Demand Side Response Methodology for use after a Gas Deficit Warning

Date referred from Panel: 19 June 2014

Background – Why Change?

Please refer to <http://www.gasgovernance.co.uk/0504>

Solution

Following Ofgem's proposed revision to the National Grid NTS Transporters Licence of a new Special Condition 8I – 'Development and Implementation of a Demand Side Response Methodology for use after a Gas Deficit Warning', the industry need to consider developing a methodology (the "Demand Side Response Methodology" for assessing and accepting Demand Side Response Offers.

Topics for Discussion

- Understanding the objective
- Shipper / Supplier impacts
- New Special Condition 8I - 'Development and Implementation of a Demand Side Response Methodology for use after a Gas Deficit Warning'. (SC 8I is due to be submitted for statutory consultation in June 2014)
- DSR Methodology and supporting mechanism
- Low Cost trial for the relevant arrangements
- Assessment of alternative means to achieve objective
- Development of Solution (including business rules if appropriate)
- Assessment of potential impacts of the modification
- Assessment of implementation costs
- Assessment of legal text
- Reporting

Outputs

- Develop a Demand Side Response Methodology
- Consultation on the proposed DSR Methodology arrangements recommended by the Workgroup
- Authority Report no later than 01 March 2015
- Methodology trial and Authority Report on the outcome of the trial.
- Workgroup Report for submission to the Modification Panel, containing the assessment and recommendations.

Composition of Workgroup

The Workgroup is open to any party that wishes to attend or participate.

A Workgroup meeting will be quorate provided at least two Transporter and two User representatives are present.

Meeting Arrangements

Meetings will be administered by the Joint Office and conducted in accordance with the Code Administration Code of Practice.

0504

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03 July 2014

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