



UNC0856 Workgroup 2

16th October 2023



Agenda



Recap from 1st Workgroup / What we heard from you

Amended Modification

Draft Legal Text

Draft Specification Template

Recap of what we covered last time

- Provided a summary of the Modification and how NGT could enact SMS Trials if the Modification was implemented
- Drivers for progressing with the Modification and why we are looking to run a Trial this Winter
- Covered the three Panel questions which were:
 1. Could this concept be suitable for accommodation under the Derogation process/with another Use Case?
 2. Will this precipitate demand reduction or demand transfer?
 3. Can the Workgroup complete a Workgroup Report in the timescales proposed?
- Key principles for how a NDM DSR Trial and the problem statement

What we heard from you – Mod Framework

- Concerns from Shippers that the proposed scope of the SMS Trials could lead to material costs to the industry because we could run Trials for various balancing and pre-emergency tools in the future which are funded via Energy Balancing Neutrality
 - Suggested restricting the scope to NDM DSR only
- Additional information is required to understand how the Specification Documents will be assessed as this is proposed to be outside of formal UNC governance

What we heard from you – NDM DSR

- Messaging and communication strategy is key to manage safety concerns
- Proposition of a gas NDM reduction scheme is very different to National Grid ESO's Demand Flexibility Service (DFS)

Therefore, we propose an amendment to the Proposal

Scope of Trials

- UNC Modification has been amended to only allow NGT to use Trials for NDM DSR development
- An amended Modification has been published on the 0856 page
- We have listened to the feedback and proposed this compromise, by limiting the scope it will:
 - Reduce the potential application of Trials significantly which in turn reduces the level of financial exposure on Shippers
 - Alleviates the perceived risk described in TWG on 05/10/23.

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Thank you

