

**UNC Request Workgroup 0705R Minutes  
NTS Capacity Access Review  
Tuesday 07 September 2021  
via Microsoft Teams**

**Attendees**

Rebecca Hailes (Chair)	(RHa)	Joint Office
Helen Cuin (Secretary)	(HCu)	Joint Office
Adam Bates	(AB)	South Hook
Alex Nield	(AN)	Storengy
Amber Talbot	(AT)	Storengy
Andrew Blair	(ABI)	Interconnector
Andrew Pearce	(AP)	BP
Anna Shrigley	(ASh)	Eni
Anna Stankiewicz	(AS)	National Grid
Ashley Adams	(AA)	National Grid
Ben Hanley	(BH)	NGN
Bethan Winter	(BW)	Wales & West Utilities
Carlos Aguirre	(CA)	Pavilion
Chris Wright	(CW)	Exxon Mobil
Daniel Hisgett	(DH)	National Grid
David Mitchell	(DM)	SGN
Davide Rubini	(DR)	Vitol
Hannah Reddy	(HR)	Corella
Henk Kreuze	(HK)	Vermillion
Jeff Chandler	(JCh)	SSE
Jennifer Randall	(JR)	National Grid
Joseph Leyon	(JL)	SGN
Julie Cox	(JCx)	Energy UK
Lauren Jauss	(LJ)	RWE
Malcolm Montgomery	(MM)	National Grid
Max Lambert	(ML)	Ofgem
Nick Wye	(NW)	Waters Wye Associates
Nik Cole	(NC)	Shell
Pavanjit Dhesi	(PD)	Interconnector
Phil Hobbins	(PH)	National Grid
Phil Lucas	(PL)	National Grid
Richard Fairholme	(RF)	Uniper
Ritchard Hewitt	(RH)	Hewitt Home and Energy Solutions
Samuel Dunn	(SM)	Interconnector
Sarah Cooper	(SC)	Interconnector
Shiv Singh	(SS)	Cadent
Sinead Obeng	(SO)	Gazprom
Steven Britton	(SB)	Cornwall Insight
Tracey Saunders	(TS)	Northern Gas Networks

Copies of all papers are available at: <https://www.gasgovernance.co.uk/0705/070921>

The Workgroup Report is due to be presented at the UNC Modification Panel by 21 October 2021.

## 1. Introduction and Status Review

Rebecca Hailes (RHa) welcomed all parties to the meeting.

### 1.1. Approval of minutes (05 August 2021)

The minutes from the 05 August meeting were approved.

### 1.2. Approval of Late Papers

RHa advised that there was one late presentation provided for consideration under item 2.0. Workgroup Participants were keen to consider the document.

### 1.3. Review of Outstanding Actions

**0703:** National Grid (JR) to discuss moving away from a single regime with Ofgem to see how the product options could be progressed.

**Update:** This relates to the CAM Code single regime concept. Jennifer Randall (JR) confirmed that discussions around the removal of the QSEC product, with presented data, and whether this is within compliance with the EU CAM Code have taken place to ascertain if this is feasible. Some considerations have been undertaken with Ofgem and on the auctions available, National Grid have come to a conclusion that the industry can move away from a single regime as the CAM Code applies to IPs. Further discussions are taking place internally however the decision whether to move has not been made. Moving the QSEC product will be considered next month. Julie Cox (JCx) asked about the CAM Code compliance, and if National Grid offer the same auctions domestically. It was clarified that National Grid don't have to offer the same auctions domestically according to the CAM Code. JCx challenged that there should not be a single regime not a dual regime. Max Lambert (ML) referring to the dual regime and the related amendments to the Gas Transmission Charging Regime (Modification 0678A), explained the differences and merits of having a single regime, and the considerations undertaken, he also clarified any future products would need to be compliant with the EU CAM Code. **Closed.**

**0801:** *Reference Offtakes in Close Geographical Proximity* – National Grid (ASt) to look to provide additional evidence relating to geographical locational separation distances and to also provide some supporting definitions

**Update:** Anna Stankiewicz (AS) asked for this action to be deferred for a short duration whilst National Grid are considering the capacity movement process and if there is scope for this. Action update deferred to October. **Carried Forward.**

### 1.4. Project Management

See item 2.0 below.

## 2. Review of Exit Regime

Jennifer Randall (JR) provided a Capacity Access Review update with a view that the Request Workgroup Report could be completed for the October 2021 UNC Modification Panel with the potential for a number of Modifications still to come out of this review.

### User Commitment

JR explained that National Grid have been considering a reduction in exit incremental user commitments over the past months and an option to change the evergreen nature of the exit enduring product whereby capacity is purchased for the duration required. This could be achieved by extending the annual product or developing a replacement enduring product.

JR asked if the Workgroup think that changing the nature of the long-term exit product would help resolve the User Commitment issues and if a long-term quarterly product, rather than the current enduring exit or annual product would be beneficial.

Bethan Winter (BW) enquired, from a GDN perspective, whether the only benefit would be paying less. It was noted that if everybody would be booking less, depending on how the charging arrangement would work, it was difficult to see the benefits for GDNs since they would be unable to book less given the requirement for their bookings to reflect Peak day. BW

explained that in addition maintenance is generally undertaken in the Summer, which may switch off some usage, this flexibility is useful and she wondered in terms of a benefit and in terms of storage and additional capacity available in Summer, if National Grid could use Section H to release additional available capacity.

JR explained regarding the quarterly product, it was not the intention to release extra capacity, it was more an ability to purchase baseline capacity in different portions and profile capacity in the Summer.

Nick Wye (NW) saw benefit in creating exit capacity products but wished to understand how the capacity bookings have changed and the shifts to daily bookings. He wished to discuss securing capacity on a longer-term basis to see the advantages and wished to see some data trends. Jeff Chandler (JCh) also saw advantages with booking storage capacity.

Shiv Singh (SS) welcomed the quarterly product, not to use the off-peak purchase facility, but it would give an option to have a lower User Commitment, and the additional option of extending the annual product, which comes with zero User Commitment.

JR explained that the intention will be to provide some draft documents ahead of the next meeting and go through some of the User Agreements.

### Capacity Movement

Anna Stankiewicz (AS), explained that National Grid is looking at the process and the potential impact of the capacity moved as per data submitted by GDNs. The channelled thinking is currently considering this would be applicable to GDNs but not excluding directly connected customers. National Grid are currently looking at data on capacity movements and the impact of movement requests on NTS pressures.

AS went on to provide some worked examples of moving capacity from one point to 4 different offtake points and then one point to 3 different offtake points, illustrating the quantities, the largest pressure drops and increases, and the likelihood of accepting or rejecting such requests where the movement is favourable or not favourable.

Julie Cox (JCx) asked if there was an outline/explanation of what would/would not be accepted/rejected and what the parameters/conditions/criteria would be. AS explained having a set criterion would be difficult as each request is analysed with regards to the conditions on the day and the nature of the request. AS explained the process is an assessment against the impact on pressure, confirming substitutional analysis would still be undertaken. If the analysis suggests the pressure would drop below the obligated level, requests would be rejected. Straight forward requests where National Grid is not exposed to too much risk, would be accepted. JCx suggested it would be useful to understand how far the substitutions could be stretched away from 1:1. AS recognised the value of having some scenarios/examples.

Lauren Jauss (LJ) asked if there was a maximum/minimum pressure and where this is defined. AS clarified that the minimum Offtake F obligation is 45bar. AS explained that National Grid would not want to plan substitutions which would bring the minimum pressure too close to 45bar as this would expose National Grid to too much risk for the delivery of pressure.

Joseph Leyon (JL) asked if substitution elsewhere may allow a potential rejection to actually be accepted. AS explained that National Grid can only make an assessment on the information/situation given at the time.

JL referring to the Compressor fleet for pressure across the NTS, where there is a compressor strategy, that the compressor dictates what the pressures are, focusing on the end point. If the strategy is changed then pressure at the end point may be different. Eric Fowler (EF) explained that the machine strategy, broadly looks at what is likely to be required.

LJ recognising with moving forward and pushing boundaries, there was a need to stay within the legal limits, which maybe different to what the system looks like under normal operations and expressed it would be useful to have some transparency. AS acknowledged the need for more transparency, and the limitations of the network.

AS provided further slides on the principles, the baseline User Commitment, and offered a separate session with GDNs (and if required other parties) to go through the scenarios in more detail, these were provided in the presentation's appendix (pages 13-18). AS asked if any party wished to join a separate session, they should liaise with National Grid.

**3. Development of Workgroup Report**

The development of the Request Workgroup Report was deferred to allow further considerations of the proposals presented and further discussion next month.

**4. Any Other Business**

None.

**5. Next Steps**

6. RH confirmed that the Workgroup Report would be completed at the next meeting and it would contain clear indications as to what will happen for each topic area. **Diary Planning**

Further details of planned meetings are available at: [www.gasgovernance.co.uk/events-calendar/month](http://www.gasgovernance.co.uk/events-calendar/month)

Time / Date	Venue	Workgroup Programme
10:00 Thursday 07 October 2021	Microsoft Teams	Completion of Workgroup Report

**Action Table (as at 07 September 2021)**

Action Ref	Meeting Date	Minute Ref	Action	Owner	Status Update
0703	01/07/21	2.0	National Grid (JR) to discuss moving away from a single regime with Ofgem to see how the product options could be progressed.	National Grid (JR)	<b>Closed</b>
0801	05/08/21	2.	<i>Reference Offtakes in Close Geographical Proximity</i> – National Grid (ASt) to look to provide additional evidence relating to geographical locational separation distances and to also provide some supporting definitions.	National Grid (ASt)	<b>Carried Forward due 07/10/21</b>