

Pre-Mod: Transparency of nonstandard Gas Quality parameters at new entry connections to the NTS

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# Background

- The Gas Market Plan (GMaP) identified inconsistencies in the transparency of information obligated to be shared between new connections compared to existing connections.
- Currently there is no obligation in UNC to share information on any party wishing to connect to the NTS who is requesting "non-standard" gas quality parameters, which are outside of the National Gas published Specification, currently in the Gas Ten Year Statement.
- Under UNC, TPD, Section I, there is a requirement for NGT to consult with industry if operators wish to make a change to existing Network Entry Provisions, which contain the Gas Entry Conditions (gas quality limits).

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Enhancing the NTS connections process, to remove framework inconsistencies, which could include allowing the industry to engage on gas quality requests for new NTS entry points which fall outside the Gas Ten Year Statement parameters.

There are gas quality framework inconsistencies that need to be addressed. A new entry point that wishes to connect to the network isn't obligated to make gas quality information public. Yet if an existing party wishes to change a gas quality parameter, there are formal UNC rules to manage this request. This recommendation has provided an example of how these inconsistencies could be managed and highlighted open questions that still need resolving. It sets a direction of travel with further industry engagement required.

There are framework inconsistencies that need to be resolved and there is a lack of transparency for the industry. Yet there is also a need to be cognisant of the potential amount of additional processing and bureaucracy required to deliver the transparency in a way that doesn't disincentivise or delay low carbon sites connecting to the NTS.

https://www.nationalgas.com/future-ofgas/gas-quality

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### **Driver now**

- There are an increased volume of potential biomethane connections, requesting a higher Oxygen specification, although still a relatively small number for the NTS.
  - As GB Transmission System Operator, we want to support and enable the transition to Net Zero and enable these connections. In support of this we are preparing an evidence case to submit to HSE to permit us to offer up to 1 mol% oxygen limit onto the NTS.
  - This will be a two phased approach;

1. Site Specific GS(M)R exemption

2. NTS-wide GS(M)R exemption

- If these exemptions are granted, we envisage that the 1 mol% oxygen would be applied on a case by case basis, for which the entry connection would have to request
  - Given the relatively low expected volumes delivered by biomethane sites, it is expected that the elevated oxygen content would readily blend away
  - However, we envisage undertaking a risk assessment and network analysis to determine whether elevated oxygen content could reach an offtake that is sensitive to oxygen
    - Our current understanding is that this may include storage sites, Interconnectors and potentially offtakes that use gas as a chemical feedstock

**Current Maximum Oxygen** Content for NTS is limited by **GS(M)R at 0.2mol**%

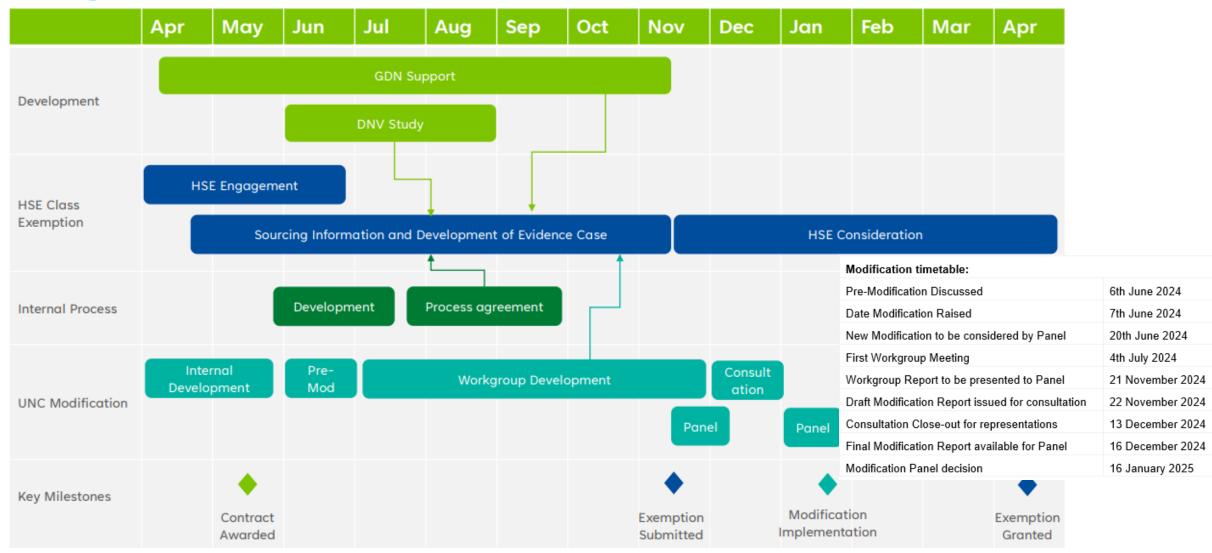
> Oxygen specification for delivery to NTS is published as 0.001mol% (10ppm), unless assessed otherwise.

# **Solution Objectives**

- This Modification will seek to address the transparency "gap" between existing and new connections in relation to non-standard gas quality
- It is suggested that Modification development considers key factors to determine a balanced solution:
  - What information is required by industry to be informed?
  - What information is required by potential sensitive customers?
  - What can NGT share considering confidentiality?
  - What is the impact on the connection timeline in TPD V?
  - At what point in the Connection process is this relevant/applicable/achievable?
- NGT is conscious that the connection timeline and cost for connecting parties should not be adversely impacted in achieving the objective of transparency and is seeking to limit additional process as much as possible with an efficient and proportionate solution.

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# **Proposed Timeline**



### summary

- Currently there is no obligation in UNC to share information on any party wishing to connect to the NTS who is requesting "non-standard" gas quality parameters, outside of National Gas published specification, currently in the Gas Ten Year Statement.
- We have an increased number of biomethane connection applications and have received requests for a higher oxygen limit of 1.0mol%
- This Modification is to address the lack of transparency on new connections requesting a nonstandard gas quality specification.
- In parallel NGT is working on an Oxygen exemption case to HSE and considering options for processing site specific risk assessments. This was presented at the May Operational Forum and further details can be found at the following link Ops Forum Presentation (nationalgas.com)

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