

UNC 0871A:

Facilitating Bi-Directional Connections Between IGT Pipelines and the NTS



Proposer: National Gas Transmission

Panel Date: 18th July 2024

Why change?



- UNC contemplates two types of bi-directional connections to the NTS:
 - Storage Connection Points
 - Interconnection Points
- iGT pipeline with both exit and entry (bio gas) connections wishes to connect to the NTS; hence a bi-directional connection as volumes delivered to the iGT could exceed volumes offtaken from the iGT, or vice-versa
 - This NTS connection does not align to either of the above definitions

Options



- Do nothing
 - Lack of recognition of a new type of bi-directional connection to the NTS
 - Lack of certainty regarding the applicable transportation arrangements for such connections
- Change UNC to deal with a sub-set of the transportation arrangements (0871)
- Change UNC to explicitly define a new type of bi-directional connection and *all* the applicable transportation arrangements (0871A)

Solution



- explicitly define a new bi-directional connection point on the NTS
- set out the applicable transportation arrangements that are applicable at such points:
 - NTS Access: NTS Entry and NTS Exit Capacity
 - Measurement and Energy Balancing
 - NGT Transportation Charges.

Is this Modification an Alternative?



Has the proposed alternative been raised promptly, given the timescales for the original Modification and any subsequent amendment to the original Modification?

- The Workgroup first considered the original Proposal on 2nd May. At the Workgroup meeting on 6th Jun NGT set out its concerns (those areas of the solution that we believe required further development). Once it became clear that the Proposer was not intending to address these issues we raised the Alternative on 26th Jun. We believe this was raised ‘promptly’ as time was afforded to the Proposer, following the June meeting, to consider the NGT and wider Workgroup views expressed in this meeting.
- This Alternative was raised in accordance with the requirements set out in para 6.4.1 of the Modification Rules (i.e. being raised no less than five Business Days ahead of the next Workgroup meeting on 4th July 2024).

Is this Modification an Alternative?



How much alignment is there between the two timescales?

- None currently, as the Workgroup Report for the original Proposal is being presented to the July 2024 Modification Panel whilst the Alternative is sought to be referred to Workgroup at the same meeting.

Is this Modification an Alternative?



How much alignment is there between the scope/features? Is the proposed alternative addressing the same issue with a different approach?

- The Alternative deals with the same physical layout / bi-directional connection to the NTS which is the subject of 0871.
- Mod 0871 advocates a solution to the Energy Balancing aspect of such a connection but fails to address other matters (point definition, commercial operation etc) relating to this connection which NGT believes also needs to be dealt with.
- It is these 'missing' aspects (as well as the Energy Balancing aspect) that the proposed Alternative additionally covers.

Is this Modification an Alternative?



Could the two solutions be implemented together or are they mutually exclusive?

- Given the connections type at the core of the issue and the aspiration to set out the applicable transportation arrangements we believe these proposals are mutually exclusive

Is this Modification an Alternative?



Where has discussion of the alternative solution taken place? (For example, in the relevant workgroup, offline with the proposer of the original Modification and/or as a pre-modification)

- NGT's observations regarding what we believe are shortcomings in Mod 0871 have been raised bi-laterally with the Proposer in May 2024 and highlighted in the Workgroup meeting on 6th Jun
- the Proposal was discussed at the Workgroup on 4th Jul

Is this Modification an Alternative?



What will be the effect on production of Legal Text for the Modifications concerned?

- As expressed at the Modification Panel in Jun, the lack of detail in the Solution for Modification 0871 (regarding matters outside Energy Balancing) does not enable the provision of legal text.
 - Jun Workgroup minutes recorded NGT and others' concerns over ability of 0871 to proceed in absence of further development
- Should sufficient detail be added to 0871 this legal text can be prepared.
- Legal Text for the Alternative will be prepared once the solution is stable and sufficiently developed to enable this.

Recommended Steps



- The Proposer recommends that this modification should be:
 - Not subject to Self-Governance because the proposed classification of IGTs as Users of the NTS (with Transportation Charges payable by such parties) is a material change to IGTs' current role in the UNC arrangements.
 - Subject to Workgroup assessment to develop the modification for up to 6 months