

# Emergency Issues Q & A

---

Operational Forum

24<sup>th</sup> October 2006

# Emergency Issues Q&A

---

- Q. Could we submit and specify in advance when P70/P71 notices will take effect ?
- A. P70/71s can be submitted in advance and specify an effective time, e.g submit at 18.00 D-1 to take effect from 06.00 hours the start of next gas day
- Q. Where on GEMINI will the ECQ trade be notified?
- A. Once the ECQ quantity has been calculated for each shipper, NG will enter both halves of the ECQ trade on GEMINI.

The ECQ trade details can be viewed via the 'BA Balance' screen – press 'Trade Sells' view button to see trade details. The counterparty for the ECQ trade will be the 'Emergency Curtailment Manager' (short code: ECZ).

# Emergency Issues Q&A

---

- Q. When a customer is emergency interrupted does it remain the shippers responsibility to nominate the customer down (by how much – pro rata)?
- A. When interruptible sites are Emergency interrupted, shippers are notified of the site names, and it is the responsibility of the shippers to nominate the site down on GEMINI. In an emergency, sites will be fully interrupted, so the nomination would be reduced by the full interruptible amount for each site.

# Emergency Issues Q&A

---

- Q. When DM Firm sites are interrupted, how soon will shippers be notified of this by the transporter and how soon will this be reflected on GEMINI?
- A. For Firm load shedding in Stage 3 of an emergency, sites are notified directly of the requirement to cease taking gas. Shippers are notified of the requirement for Firm load shedding, but are not notified as to which of their sites are affected.

# Emergency Issues Q&A

---

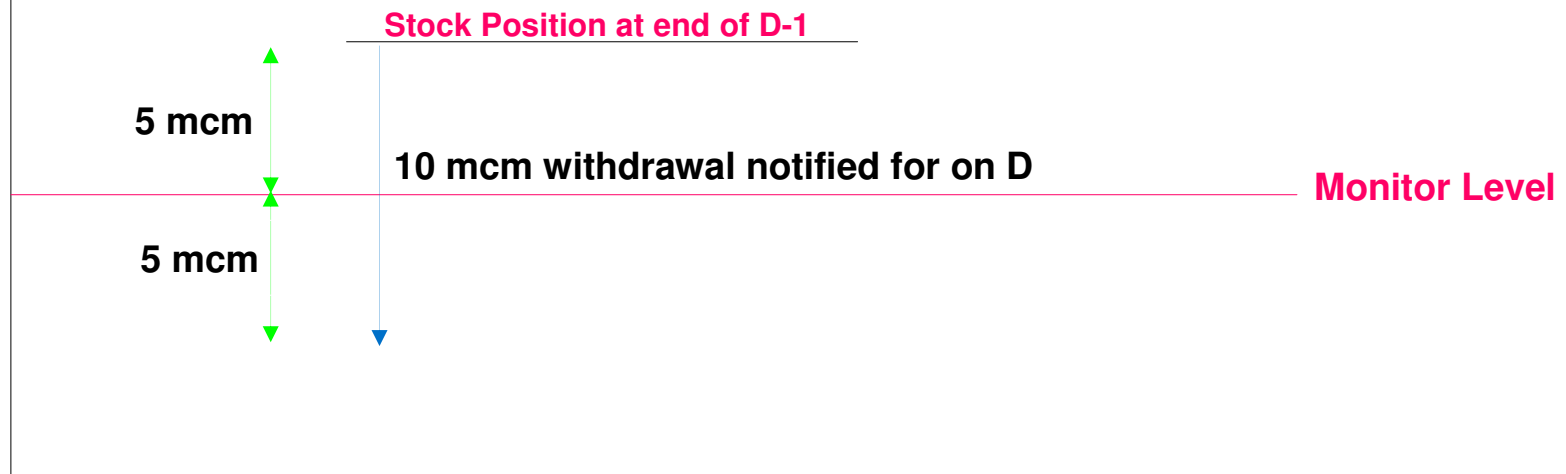
- Q. Does a Monitor breach always initiate a Stage 1 Emergency and Emergency interruption.
- A. If shippers' nominated storage withdrawals are likely to result in a Monitor breach, a Stage 1 Emergency will be declared to enable curtailment of the relevant storage type and thereby prevent a breach of the Monitor.

Any resulting system imbalance will firstly be addressed through Market actions via the OCM. Emergency interruption would only be initiated if these Market actions failed to resolve the system imbalance in a timely manner.

# Safety Monitor Breach – Scenario 1

To prevent a breach of the Safety Monitor:

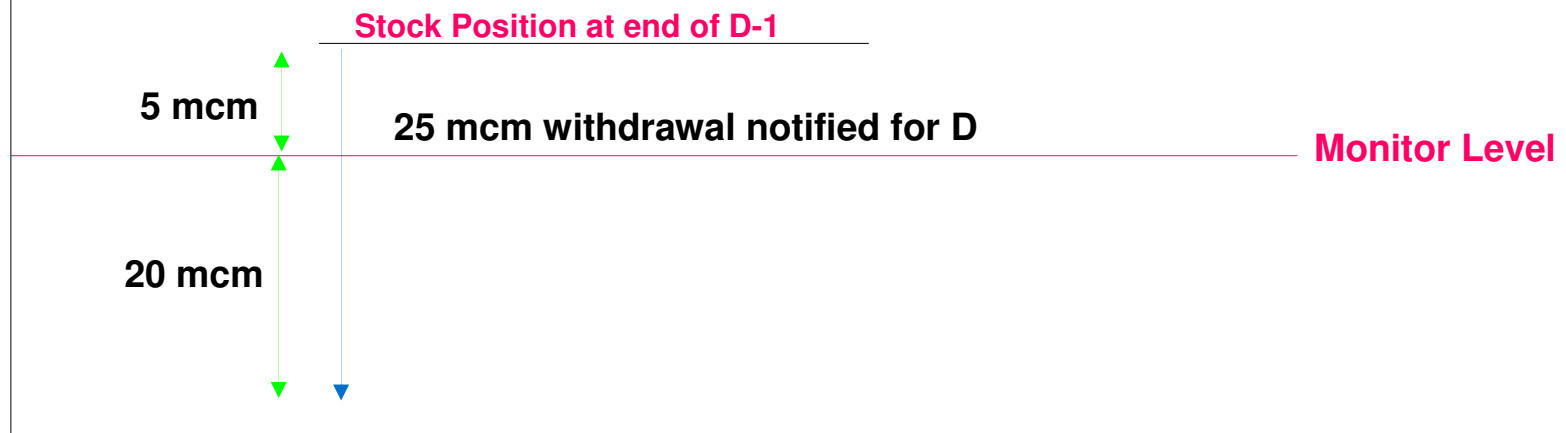
- NEC declares Stage 1 Emergency
- NEC issues Letter of Direction to PGT
- NEC issues letter to shippers requiring their co-operation
- NEC issues curtailment notice to relevant storage operator/s to limit withdrawal on D to 5 mcm
- Resulting 5 mcm imbalance for D resolved through Market actions
- No Emergency interruption required



# Safety Monitor Breach – Scenario 2

To prevent a breach of the Safety Monitor:

- NEC declares Stage 1 Emergency
- NEC issues Letter of Direction to PGT
- NEC issues letter to shippers requiring their co-operation
- NEC issues curtailment notice to relevant storage operator/s to limit withdrawal on D to 5 mcm
- Resulting imbalance for D is 20 mcm
- 7 mcm of imbalance sourced through Market actions
- Emergency interruption instigated to resolve remaining 13 mcm imbalance.



# Emergency Issues Q&A

---

- Q. Is it simply classes of storage sites that are curtailed if a relevant monitor is breached?
- A. Yes, the relevant storage type (LRS, MRS or SRS) will be curtailed to prevent a breach of the monitor for that type of storage.

# Emergency Issues Q&A

---

- Q. Can a multi-day offer be submitted by an SSMP site (including for interconnectors and storage)?
- A. Yes a multi-day offer can be submitted by a shipper for an SSMP site, including Interconnectors and storage.
- Q. If a multi-day offer is accepted, how would the ECQ volume be derived if an emergency interruption subsequently took place?
- A. If a multi-day offer is accepted and the shipper submits a P70 for the accepted volume within an hour, the P70 will be taken into account in deriving the ECQ volume if Emergency interruption is subsequently called.

# Emergency Issues Q&A

---

- Q. What are the emergency cashout prices that apply during the later stages of an Emergency?
- A. The Emergency cashout prices will be the prevailing SAP and SMPBuy at the point at which the Market is suspended in Stage 2 of an emergency. These prices will apply on the first day of the emergency and on subsequent days of that emergency.

Overdeliveries – Shippers are paid SAP

Underdeliveries – Shippers are charged SMPBuy

Please note that until the Market is suspended in Stage 2 of an emergency, normal cashout prices/rules apply.

# Emergency Issues Q&A

---

- Q. During the later stages of a emergency what is the cut-off point for OTC trades to be accepted and reflected on GEMINI?
- A. OTC trades can only be submitted and accepted on a GBA day. Therefore assuming that the emergency occurred on a GBA day, OTC trades can be submitted until the Market is suspended in Stage 2 of an emergency.

# Emergency Issues Q&A

---

- Q. Do Scheduling Charges and Capacity overrun charges apply in an emergency?
- A. Scheduling charges and Capacity overrun charges do not apply once the market is suspended in Stage 2 of an emergency.