

National Grid Gas Quality Consultation Response Template

To provide written feedback, please complete this form and by email it to box.gas.market.devel@nationalgrid.com and philip.hobbins@nationalgrid.com no later than Friday 17th November 2017. Alternatively, if you wish to provide feedback verbally, please use the contact details above to make arrangements for a meeting / conference call / video conference.

Name: Jon Flitney.

Company: British Ceramic Confederation

Do you wish National Grid to keep the details of your response confidential? No

Questions for Consultation

Existing NTS Entry Connections

1. Do you expect the number of requests by existing NTS entry parties to amend gas quality limits in their Network Entry Agreements (NEAs) that are within GS(M)R but outside GTYS limits to increase in the coming years? Please provide your rationale.

No comment.

2. Do you believe that National Grid's current method of assessment for individual NEA parameter changes is appropriate? If not, how could our approach be improved?

No comment.

3. Which of the NEA change options detailed in section 7.0 for individual limit parameters do you prefer and why? Are there other options that should be considered?

No comment.

New NTS Entry Connections

4. Do you believe that the process of agreeing gas quality limit parameters for new NTS entry connections requires reform? If so, what changes do you suggest?

No comment.

5. Do you consider that the demand for new NTS entry connections to deviate from GTYS gas quality limits will grow in the future? If so, please provide your rationale.

No comment.

Generic Questions

6. Where National Grid's ability to agree to higher gas quality limits is limited, e.g. a higher limit could be agreed at one NTS entry point but not more widely due to an impact at NTS exit point(s), how should National Grid manage and allocate the available flexibility?

No comment.

7. Do you support further consideration of National Grid providing gas quality services to process and/or blend at NTS entry points in the RIIO-2 period or do you believe that the responsibility to deliver compliant gas should continue to rest with upstream parties? Are there specific projects / locations where this type of service could be valuable?

No comment.

8. If your business is adversely affected by variations in gas quality, how could National Grid help you to manage those issues? (Note: at this stage we are not proposing to publish real-time gas quality data measured at entry points to the NTS).

The British Ceramic Confederation (BCC) is the trade association for the UK ceramic manufacturing industry, representing the collective interests of all ceramic sectors. Our 90 plus member companies cover the full spectrum of ceramic products and comprise over 90% of the industry's UK manufacturing capacity. Our membership comprises a range of mostly SMEs operating single manufacturing sites (~75%), through to larger UK-based and multi-national organisations operating multiple manufacturing sites.

The industry as a whole is gas-intensive, with an energy mix of around 85% gas (4,400 TWh) and 15% electricity (650 TWh). The use of gas is effective for high-temperature firing from around 1,000 to 1,750°C. Many of our members operate continuous production processes which are designed to run for many months or years without stopping.

As discussed we appreciate that National Grid are responsible for the gas National Transmission System and that the consultation focuses primarily on the NTS and its users, while our members are connected to the distribution network. However, we would like to highlight a general point (for question 8) that our members could be affected by gas quality changes. This is due to the high temperatures that are required for ceramic manufacturing processes. A minor change to the quality of gas could potentially still affect combustion characteristics and control of the process with potential cost implications, while more substantial changes could limit the ability of processes to achieve the high temperatures that are required to produce ceramic products or require burner modifications. We feel NG should consider engagement with large gas intensive users (including those on the distribution network) is considered to ensure the right balance is struck between the quality of gas and the availability of additional gas sources to the UK.

Please feel free to contact BCC if you require any further information.

9. Is there a case to treat smaller connections that Project CLoCC seeks to facilitate differently to larger coastal terminals in respect of gas quality arrangements?

No comment.

10. The GTYS limit for oxygen is 200 times more stringent than that required by GS(M)R (10ppm compared to 2000ppm). Do you anticipate any adverse consequences if the GTYS limit were to be increased?

No comment.