



Promoting choice and value
for all gas and electricity customers

Ofgem Update

Gas Operational Forum

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Carbon Capture & Storage (CCS)

- Ofgem published a consultation on a proposal by National Grid to use a section of the gas transmission network for the transport of carbon dioxide gas from the Longannet power station up to the North Sea.
- Consultation closes 4 June.
- Consultation available at:
<http://www.ofgem.gov.uk/Networks/Trans/GasTransPolicy/Documents/1/100506%20Second%20consultation%20and%20initial%20impact%20assessment.pdf>

Charging methodology from BBL

- Ofgem recently approved a charging methodology from BBL, which allows them to put in place a service for non-physical interruptible reverse flow products from GB to the Netherlands. Capacity will be auctioned in quarterly, monthly and daily blocks.
- We expect the service to be operational in time for this winter.
- Document available at:
<http://www.ofgem.gov.uk/Networks/Trans/GasTransPolicy/interconnts/Documents1/100430%20BBL%20decision%20letter.pdf>

Quarterly System Entry Capacity (QSEC)

- The recent QSEC resulted in a signal for incremental capacity at Barrow. NGG proposed meeting this requirement through entry capacity substitution, using capacity from Teesside on a straight 1:1 transfer, and Ofgem approved the proposal.
- Document available at:
<http://www.ofgem.gov.uk/Networks/Trans/GasTransPolicy/Documents/1/Barrow%20IECR%20approval%20letter%20final.pdf>

Removal of NTS Daily Entry Capacity Reserve Price Discounts

- NGG has submitted a charging methodology modification proposal, GCM-19, which proposes to remove the requirement for NGG to offer capacity in a clearing auction.
- Related UNC modifications would restrict the availability of Use-It-Or-Lose-It capacity to those ASEPs where more than 90% of baseline has sold out.
- Ofgem has confirmed that it will issue an Impact Assessment on these proposals (estimated issue date w/c 7 June).
- Document available at:
<http://www.ofgem.gov.uk/Networks/Trans/GasTransPolicy/Documents/1/Letter%20on%20intention%20to%20conduct%20IA.pdf>

Any questions?

If you have any questions please feel free to contact me anytime

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