



NI Single Gas Transmission Code – High Level Approach Consultation

Phoenix Natural Gas Ltd. Response

2nd December 2016

Introduction

Phoenix Natural Gas Ltd. (PNGL) welcomes the opportunity to comment on the High Level Approach Consultation document for a Single Gas Transmission Code for Northern Ireland (NI) issued by the Transmission Network operators.

In addition to its comments on the Single Code proposals, PNGL has also taken the opportunity to document several comments or queries we have relating to the single system operation project as presented at the Gas Industry Workshop on 21st November 2016.

Role of Distribution Network Operators

PNGL welcomes the proposal to include a section in the new Single Code which details the DNO exit capacity booking role and agree with the TSO's assessment that clarity is necessary on the Shipper requirements for this specific DNO role. We also believe that the TSO's should use this Code development opportunity to clearly set out other Shipper obligations which would not apply to a DNO e.g. provision of downstream load statements etc.

Forecasting Party Arrangements

PNGL agrees that it may be necessary to detail the Forecasting Party arrangements in the Single Code once the detail of the arrangements have been discussed and agreed with the three DNOs. As the TSOs will appreciate it may also be necessary for the DNOs to modify their Distribution Network Codes to facilitate the exchange of information to the Forecasting Party and therefore we would ask that any proposed amendments including Code text are discussed in advance with the DNOs to ensure that where possible consistency across both the DNO and TSO Codes can be delivered.

Framework Agreement

The use of a Framework Agreement to assign the accession process responsibilities to the Single System Operator would seem to PNGL a reasonable approach. However, as discussed at the industry forum the Framework Agreement will create contractual arrangements between Shippers including DNOs and TSOs who they would not have previously contracted with. PNGL therefore believe that it would be useful for Shippers to have sight of the legal text of a draft Framework Agreement to allow a proper legal review to be undertaken by Shippers.

DNO TSO Agreement

There currently exists an agreement between PNGL and BGTL which was considered necessary to facilitate a co-ordinated, efficient and economical operation of the interface between the TSO and DNO networks. The existence of such an agreement is a requirement of a DNO Licence and therefore PNGL would welcome discussions with the NI TSOs to understand how the essential operational requirements of this agreement can be accommodated under Single System operation. We also believe it would be useful to potentially develop further this agreement to document further current processes undertaken at the TSO DNO networks interface e.g. HPRS data issues.

NINEC and Single System Operation

As the TSOs will be aware, PNGL currently undertake the role of the NI Network Emergency Co-ordinator (NINEC). PNGL would ask whether consideration has been given to the impact the introduction of Single System operation will have on the NINEC operation including

- the NINEC TSO relationship,
- the NINEC safety case; and
- the lines of communication in an emergency event

We would welcome early discussions on this area to determine impact.

System development

As detailed in the consultation and at the industry workshop the Utility Regulator has taken the decision to allow the development of the GNI GTMS system for the purpose of Single System operation in NI. It was not clear from the industry workshop if the GTMS (NI) system is a standalone system for sole use by NI or a module of the GTMS (RoI) system. If the latter applies PNGL believe that the NI gas industry needs to be informed of how future development costs will be allocated. We would argue that NI should only be expected to contribute to development costs which are required for NI and where the NI gas market will receive direct benefits. NI gas consumers should not be expected to incur higher transmission network costs which benefit the RoI gas regime only.