Phoenix Natural Gas Ltd. comments on PTL, BGTL and BGE (NI) Proposed Modification and Initial Modification Reports No. 29, 12 and 15 Change in the Gas Day

10th March 2015

Introduction

Detailed below are the Phoenix Natural Gas Ltd. (PNGL) comments on the Modification Reports issued by Premier Transmission Ltd (PTL), BGTL and BGE (NI) for the changes proposed to their Transportation Codes for the change in gas day.

PNGL has also taken the opportunity to comment on PTL’s response contained in its ‘Summary of Consultation Responses – Gas Day Transition Business Rules’ document on comments previously made by PNGL.

Proposed Legal Text – Transitional Arrangements

The Modification proposes that the changes in the Transportation Codes will apply from 1st August 2015 and therefore the legal text contains a section on the transitional arrangements. Given the proposed implementation date of 1st August 2015 and the fact that after this date the Code will define a gas day in line with the 5.00am start time, PNGL would suggest that the transitional arrangements should also contain a clause which states that during the period from 1st August until 29th September 2015 the gas day commences at 06:00 and ends at 06:00 on the following day. The specific arrangements for the 30th September 2015 are already defined in the proposed legal text.

NIED Workplan and DNOs

As mentioned above PNGL believe it is necessary to comment on the ‘Summary of Consultation Responses – Gas Day Transition Business Rules’ document published by PTL, in particular in relation to the comments made previously by PNGL. In our comments we once again had asked that the NIED workplan in place for EU compliance factored in appropriate timescales for the work which DNOs need to undertake to ensure Transmission Operators could deliver on their obligations and the consequences for shippers and network operators if distribution and transmission networks were not aligned. The response provided by PTL is both disappointing and somewhat unhelpful. The response stated:

The TSOs agree that alignment of the gas networks is important. To achieve this goal, the DNOs should contribute to the NIED workplan as the TSOs have done.

PTL are very aware that from the launch of this NIED workplan PNGL has raised considerable concerns about the absence of the DNO from the overall project plan as it was evident that to allow the TSOs to deliver full compliance, the DNOs needed to undertake significant work to modify their own Network Codes and undertake processes and system changes to deliver these transmission
requirements. We have continuously held meetings with PTL since the launch of the NIED workplan to identify and discuss issues which need addressed and in particular PTL will be aware that we have met with both UR and PTL to discuss in detail the implication of gas day changes. As a result of this meeting PNGL had in fact submitted a paper to UR in December 2014 detailing all requirements for DNOs as well as the consequences of not aligning networks.

PNGL would therefore reiterate its previous comments that its concerns about the implications of gas day changes on DNO operations is properly considered and engagement with DNOs on this area is undertaken at the earliest opportunity.