



Promoting choice and value
for all gas and electricity customers

OFGEM update Gas Operational Forum

Tom Palmer

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LNG price control

NG LNG operate 3 LNG storage facilities – Avonmouth, Partington and Glenmavis

Facilities provide Operating Margins services to NGG and tanker gas for remote networks in Scotland, as well as commercial storage

Prices for OM and tankers are regulated by Licence Condition C3

Ofgem is reviewing the regulated prices; initial proposals will be in October, Final Proposals in December 10

Current “Initial thoughts” consultation closes 17 September

Exit substitution

Exit substitution involves the permanent movement of unutilised exit capacity to places where there is a user commitment

- Avoids unnecessary build on NTS

NGG now reaching final phase of methodology development

- Expect formal consultation within next month

Direction and form of proposal very different to that in place for entry substitution; would encourage active engagement to ensure methodology is compatible with operational procedures

Other items

BBL non-physical reverse flow product begins in October

- Further details on BBL website

Formal licence consultation on “relevant points” for the purposes of the Third Package

- Will impact on data disclosure requirements
- Ofgem looking for parties to demonstrate why they should be considered for exclusion, otherwise likely to be included

Consultation on “Income Adjusting Event” Licence Condition

- Correction, so it should work as intended
- Allow shippers to make claim for NGG windfall gains/losses

Any questions?

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

by e-mail

tom.palmer@ofgem.gov.uk

or

by telephone

020 7901 7149



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