

Gas DSR Consumer Contract Consultation Report

June 2024





# **Gas DSR Consumer Contract Consultation Report**

This report documents the outcome of NGT's recent consultation on the DSR contract that would apply between NGT and a consumer if the consumer has a DSR option accepted by NGT.

## **Background**

As part of its package of DSR reforms for Winter 2023/24, National Gas Transmission (NGT) proposed via UNC Modification 0844¹ to be able to contract for DSR options directly with class 1 consumers as well as with shippers by expanding the scope of the annual DSR options tender. Consumers are not parties to the UNC, therefore a new contract was required to set out the terms and conditions that will apply between the parties for the duration of that DSR option.

These are standard conditions of contract that would apply to all such consumers on which NGT originally consulted industry and consumers in summer 2023.

Consequential amendments to the DSR Consumer Contract are now required following the implementation of further enhancements to DSR rules in the UNC via Modification 0866<sup>2</sup>.

The purpose of this report is to report on views received during the consultation.

## Views Received & NGT's Response

Two consumers responded to this consultation and NGT would like to thank these parties for their review and comments. Neither party made any specific comment on the legal text changes to the contract drafted by NGT.

The first respondent indicated that it would look to participate directly rather than via its shippers and welcomed that additional time in the process that Modification 0866 has provided. This respondent also raised a specific data-related issue in relation to its site that NGT has responded to separately.

<sup>&</sup>lt;sup>2</sup> https://www.gasgovernance.co.uk/0866



<sup>&</sup>lt;sup>1</sup> 0844 - Enabling Direct Contractual Arrangements with Consumers for Demand Side Response | Joint Office of Gas Transporters (gasgovernance.co.uk)



The second respondent explained that the two most significant changes for its site were (1) the provision for use of a 'winter average demand forecast' and (2) a consumer may now specify a 'minimum number of hours of DSR', (in respect of a within-day DSR option) both of which it regarded as useful additions to the scheme. This respondent also recommended that NGT re-run a webinar for consumers with some simple slides that explain the scheme and the changes since last year. NGT confirms that this is scheduled for 24 June 2024.

### **Next Steps**

NGT will publish a marked-up and new clean version of the DSR Consumer Contract on its <u>DSR</u> webpage, alongside this consultation report.







#### **Contact:**

Phil Hobbins Gas System Operations T: +44 (0) 7966 865623

E: <a href="mailto:Philip.hobbins@nationalgas.com">Philip.hobbins@nationalgas.com</a>

nationalgas.com



