

Short Term System Flexibility Allocation Methodology document

This methodology relates to the ways NTS Users request and utilise NTS short term system flexibility (which is a finite resource) via submission of Offtake Profile Notices (OPNs). It outlines the principles by which National Gas Transmission will make short term access to system flexibility available to Users, over and above contractual rights and entitlements, having regard to safe (economic and efficient) system flexibility / linepack usage. The methodology applies to Users (Distribution Network Operators (DNOs) and Shippers) at NTS Exit Points directly connected to the NTS.

1. For the purposes of this document, short term system flexibility means access to gas made available for offtake at a shorter period of notice and/or at a greater rate of change than that described within the UNC and / or in offtake specific agreements such as Network Exit Agreements (NExAs), Connected System Exit Point (CSEP) NExAs, Interconnection Agreements (IAs) and Storage Connection Agreements (SCAs).

2. This methodology covers:

- At all NTS Exit Points, how gas will be made available for offtake at a shorter period of notice than is laid out in TPD J 4.5.4.
- How aggregate Local Distribution Zone (LDZ) Offtake rate changes may be accommodated at a greater rate of change or lesser notice period than is laid out in OAD Section I 2.3.3.
- At Distribution Network (DN) Exit Points, how additional NTS Exit (Flexibility) Capacity will be made available at short notice, as requested in accordance with TPD J 7.3.1.
- The process by which advanced notification of potential restrictions in short term system flexibility will be issued in accordance with UNC TPD Section J 7.3.

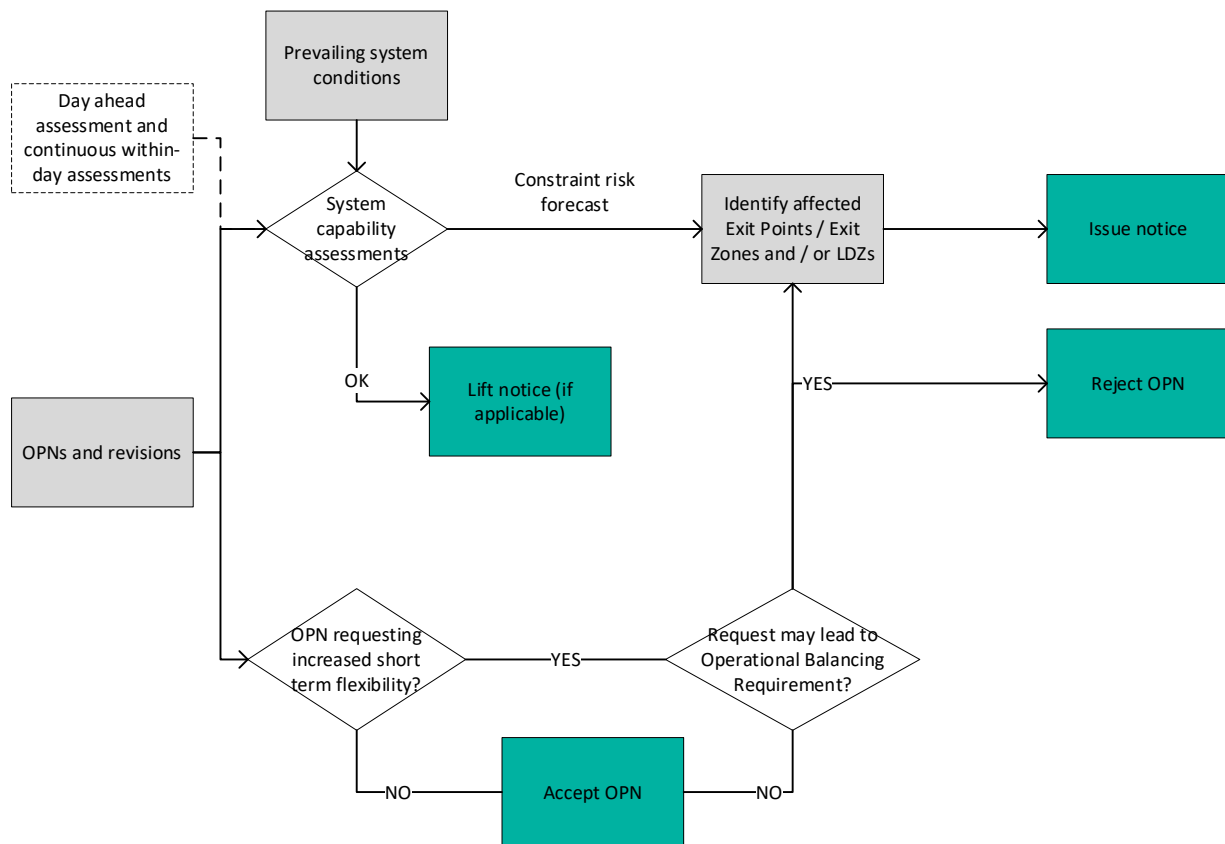
3. This document supersedes all earlier versions of the Short Term Access to System Flexibility Methodology. The System Flexibility Restriction Notice (SFRN) process which was contained within earlier versions of the methodology (used prior to October 1st 2012) has been superseded by the process outlined below.

4. Capitalised terms not otherwise defined that appear in this document shall have the meaning given to them in the UNC.

Methodology

5. This methodology defines how National Gas Transmission may make short term system flexibility available to Users outside of contractual rights and entitlements where National Gas Transmission reasonably anticipates that it will not give rise to an Operational Balancing Requirement¹. The methodology is set out in the following diagram.

¹ The term Operational Balancing Requirement covers actions at a local and national level, including physical (e.g. use of additional compression) as well as commercial actions.



OPN requests for increased short term system flexibility

6. Where National Gas Transmission does not forecast a need to take Operational Balancing Actions as a result of requests for additional short term system flexibility, then the request for such flexibility will be allowed. On this basis National Gas Transmission will accept OPNs outside the contractually agreed parameters.

7. If, in the reasonable opinion of National Gas Transmission, its acceptance of an OPN which requests additional short term system flexibility will give rise to an Operational Balancing Requirement, then the OPN requesting such flexibility will be rejected. The User will be notified that the OPN request has been rejected.

8. Where National Gas Transmission has identified that it is necessary to reject an OPN due to a request for additional short term system flexibility and no advance notice has previously been issued, a notice will be issued by National Gas Transmission via the Active Notification System (ANS) to the effect that further requests may not be accommodated in the affected areas to all NTS Users.

9. For the avoidance of doubt, the absence of a day-ahead notice does not preclude National Gas Transmission from rejecting OPNs which request short term system flexibility that will give rise to an Operational Balancing Requirement.

System Capability Assessment

10. National Gas Transmission assesses the prevailing and forecast operational conditions when determining whether requests outside the UNC parameters may be accommodated. Factors to be taken into account will include (but are not limited to):

- a. NTS pressures, actual and forecast;
- b. forecast supply and demand levels/patterns;
- c. maintenance activities;
- d. forecast and actual linepack levels; and
- e. NTS Exit Capacity bookings.

11. If, in the reasonable opinion of National Gas Transmission, if system capability assessments indicate there is an increased likelihood that it may not be possible to accommodate OPNs requesting additional short term system flexibility without giving rise to an Operational Balancing Requirement, then a notice will be issued by National Gas Transmission via the Active Notification System (ANS) to that effect to all NTS. Such notices may be issued within day or day ahead.

Notices and communications

12. Notices will be issued to all Users via ANS, indicating the affected LDZ(s) and/or NTS Exit Zone(s) (as published on the National Gas Transmission website). These ANS messages will be issued at the discretion of National Gas Transmission based on all the available information.

13. National Gas Transmission may lift the notice if the prevailing conditions improve by issuing a further ANS message to all Users indicating that that the previously identified risk associated with the release of additional short term system flexibility is no longer present.

14. The ANS messages referred to above are:

Issue notice

Please be aware that based on information submitted to National Gas Transmission, there is an increased likelihood that OPN requests for additional short term system flexibility may not be accommodated in NTS Exit Zones (xxx)/ LDZ (XXX) on Gas Day (XXX).

Lift notice

Further to the message issued on DD/MM/YYYY [include the time if it is issued and lifted on the same day], please be aware that the previously identified risk associated with the release of additional short term system flexibility is no longer present in NTS Exit Zones (xxx)/ LDZ (XXX) on Gas Day (XX).