

Shell Energy Europe Limited Shell Centre London SE1 7NA United Kingdom Tel +44 207 546 4737 Fax +44 207 546 5253 Email: christiane.sykes@shell.com

Graham Craig, Senior Manager Ofgem

9 January 2023

## Shell Energy Europe Limited (SEEL) response to Wormington Compressor Emissions – Final Preferred Option

Dear Graham

Thank you for considering our response to this consultation on the preferred option for investment at the Wormington Compressor Station to ensure compliance with the Medium Combustion Plant Directive.

Shell Energy Europe Limited (SEEL) supports National Grid's preferred option as it leads to minimal outages, which best facilitates supply security and economic and efficient management of the pipeline system.

Given the uncertainty around future demand for gas, it would, in our view, be more economically efficient to replace both non-compliant turbines than risk only replacing one and facing limitations on the other. Whilst we recognise Ofgem's view of not investing in a second new turbine before there is greater clarity about the post 2040 pathway, our view is that this risks inefficient investment being undertaken in the shorter term and limited running hours on one of the compressor stations in the longer term, which could lead to costly constraints, to the detriment of UK consumers.

Accepting this proposal specifically relates to requirements under the Medium Combustion Plant Directive, a wider review of investment required to deliver optimal network capability in the South Wales region, with a wider impact on GB security of supply should be undertaken to ensure efficient and economic investment and to avoid the risk of further entry constraints in South Wales.

Your sincerely

Christiane Sykes Commercial Regulatory Affairs Manager Shell Energy Europe Ltd