

Maintenance Arrangements

A paper by NGT for the CIWG, 7th July 2004

1. Background

NGT's original proposals for coordinating maintenance requirements of the NTS and DNs are set out in the document "Offtake Code Business Rules, January 2004". These were presented to the RAWG on 27th January 2004 and the CIWG on 28th January 2004. NGT believes that these proposals remain appropriate following developments during the Gas Distribution Network Sales consultation process (in particular the Roles and Responsibilities RIA and the Offtake Arrangements RIA).

This paper firstly describes the current maintenance arrangements, including Network Code provisions, and then gives an overview of the proposed Offtake Code arrangements.

2. Current Maintenance Arrangements

The current maintenance arrangements are reviewed from two perspectives:

- The contractual provisions relating to maintenance within the Network Code, as supplemented by relevant ancillary agreements (Network Exit Agreements (NExAs), Storage Connection Agreements (SCAs) and Connected System Exit Point (CSEP) Agreements)
- The Transco internal procedures relating to maintenance

2.1 Contractual Provisions

The Network Code maintenance provisions address four key areas:

- The provision of information relating to maintenance by shippers to Transco
- The development and publication of NTS Maintenance Programmes by Transco
- The notification by Transco of maintenance affecting LDZ exit points
- The circumstances in which Transco is afforded relief from its obligations to make gas available for offtake due to maintenance

NTS Maintenance Programmes

Following a consultation process described in the Network Code Transco is required to establish and publish NTS Maintenance Programmes by 1 April and 1 October in each year. These programmes set out the impact of planned maintenance on gas flows at NTS entry and exit points over the coming 24 months. Only maintenance conducted during the months of April to October inclusive may be included in the programmes. NTS Maintenance Programmes may be revised on giving not less than 30 days notice.

Transco plans NTS maintenance, taking account of its various other obligations, with a view to coordinating timing with maintenance of connected facilities, thereby minimising disruption to the operation of those facilities. However, following consultation, decisions as to NTS Maintenance Programmes are taken by Transco in its sole discretion.

The NTS Maintenance Programme does not oblige Transco to carry out NTS maintenance, but where Transco does conduct NTS maintenance it must adhere so far as is reasonably practicable to the programme, to the extent that it affects the offtake of gas at NTS exits.

Notification of LDZ Maintenance

Transco may give notice of maintenance affecting gas flows at LDZ exit points:

- Not less than 30 days for CSEPS (or as per ancillary agreement provisions) and supply points > 25,000 therms per annum
- Not less than 7 days for supply points < 25,000 therms per annum

LDZ maintenance notifications may be made in respect of maintenance days that occur throughout the year (i.e. not restricted to April-October inclusive)

Obligations to make gas available

Where maintenance affects the ability to make gas available for offtake Transco is granted limited relief from its obligations:

- For NTS exits the maintenance must have been included in the NTS Maintenance Programme (as revised), and the number of days' relief is limited by the terms of the relevant ancillary agreement. Note that in practice this applies to NTS direct connects only, as gas is not offtaken from the system by shippers at NTS/ DN offtakes.
- For LDZ exits Transco must have given notice as described above and the number of days' relief is limited according to load size as set out in the Network Code or relevant ancillary agreement.

Ancillary Agreement Maintenance Provisions

Ancillary agreements contain provisions relating to the exchange of information regarding maintenance plans, with a view to minimising disruption to the supply of gas. Certain ancillary agreement maintenance provisions are linked to the Network Code:

- The notification of faults in Transco's offtake equipment
- The allowable number of days of Planned Maintenance
- The provision of reasonable cooperation where specific flows are required for pipeline maintenance.

2.2 Transco Internal Maintenance Arrangements

Transco internal maintenance plans are developed first and foremost to ensure all maintenance is conducted in a safe manner. A secondary objective is to ensure that, where maintenance affects gas flows, Transco is afforded relief from its obligations in accordance with the Network Code provisions described above.

Transco's internal maintenance plans are much wider than those addressed by the Network Code as they encompass all maintenance works, not just those that affect gas flows. Initial plans for NTS and DN maintenance are reviewed and adjusted through an iterative planning process. The final plans then feed into the Network Code requirements for NTS Maintenance Programme publication and notification of LDZ maintenance. All maintenance is planned and conducted in accordance with Safe Control of Operations (SCO) procedures.

3. Proposed Maintenance Arrangements

Business Rules for the proposed maintenance arrangements are set out at Appendix 1. It is proposed that these are used as the basis for drafting Offtake Code provisions relating to maintenance.

The key defined term within the rules is Relevant Maintenance. This is maintenance (to be undertaken either by NTS or a DN) that, in order to be conducted safely, requires that another party (NTS or DN) is aware of the works. Relevant Maintenance must be conducted in accordance with common SCO procedures.

Through an iterative planning process NTS and DNs develop programmes for Relevant Maintenance within a timetable consistent with Network Code requirements. NTS and DNs can then provide notice of maintenance as required by the Network Code.

There is provision for postponement of another party's maintenance but only on grounds of safety and on payment of the associated costs.

As with Network Code and ancillary agreements there are provisions addressing cooperation where specific flows are required for pipeline maintenance.

There are three further defined forms of maintenance, each being a type of Relevant Maintenance:

- Urgent Maintenance that, for safety reasons, cannot await inclusion in the formal maintenance programmes via the revision process. The parties agree the timing of Urgent Maintenance outside the formal process.
- Measurement Equipment Maintenance that, due to the industry importance of offtake meter readings, is reported on monthly.
- Flow Maintenance where the ability to flow at NTS/ DN offtakes is materially affected. This needs to be considered in conjunction with the arrangements for Operational Flows.

Offtake Code Business Rules

7 Maintenance

This section covers maintenance works by either NTSCo or DNCos that affects (or could affect) the other party. Its purpose is to ensure that:

- all maintenance is conducted safely in accordance with set procedures
- maintenance by the parties is planned and coordinated in a way which enables them to meet their respective obligations and to enjoy the relief afforded under the Network Code in respect of maintenance affected supply points
- the parties cooperate where particular flows are required, e.g. for on-line inspection of pipelines, pressure testing, pipeline commissioning etc.
- there is transparency of the maintenance requirements and programme for measurement equipment
- urgent maintenance can be conducted when necessary

The NTSCo maintenance plan prepared under the Network Code is a driving factor. It is expected that DNCos will fit their maintenance around this to ensure they gain maximum benefit from the relief afforded under the Network Code from their obligations to make gas available at Supply Points. Under the Offtake Code, NTSCo obtains relief from its obligations to make gas available at Offtakes for a set number of days of planned summer maintenance.

7.1 Relevant Maintenance

- Relevant Maintenance shall mean any routine or non routine works conducted by any party that, in order to be conducted safely, requires that another party is aware of such works and that the works are conducted in accordance with the Safe Control of Operations Procedures (the SCO Procedures)
- Relevant Maintenance shall be carried out in accordance with the SCO Procedures
- A formal process will be developed for making revisions to the SCO Procedures
- Notice is to be given prior to commencement of Relevant Maintenance in accordance with SCO Procedures.

7.2 Flow Maintenance

- Flow Maintenance is a type of Relevant Maintenance that:
 - When conducted by NTSCo has a material effect on the ability to flow gas at Offtakes in accordance with the Offtake Rights Values defined in section 8
 - When conducted by DNCos has a material effect on the ability to flow gas at Offtakes up to the levels specified by the Offtake Rights Values
- Flow Maintenance will be specifically identified in the Maintenance Programmes drawn up under section 7.4
- For Flow Maintenance conducted by NTSCo revised Offtake Rights Values specified by NTSCo will apply for the duration of the works. Provided that:
 - Revised parameters may only be applied in the months of April to October inclusive
 - The maximum number of days in any Supply Year on which revised Offtake Parameters as above may be applied in aggregate at Offtakes associated with an LDZ will not exceed [x] multiplied by the number of such Offtakes.
 - The aggregate Maximum Daily Quantity for all Offtakes for all Demand Ranges for the LDZ will remain unaffected

7.3 Measurement Equipment Maintenance

- Measurement Equipment Maintenance is a type of Relevant Maintenance and will be specifically identified in the Maintenance Programmes drawn up under Section 7.4
- Not later than the last day of each month, DNCo shall provide NTSCo with a report detailing the Measurement Equipment maintenance carried out in the preceding month.

7.4 Planning of Maintenance

- NTSCo and each DNCo will provide its Maintenance Programme covering the works (including inspections) each intends to conduct in accordance with the following table:

Date due	Programme type	Period covered	Party providing	Party receiving
30 November	Draft	24 months from next 1 April	NTSCo	DNCos
31 December	Draft	24 months from next 1 April	DNCos	NTSCo
1 February	Draft	24 months from next 1 April	NTSCo	DNCos
15 March	Final	24 months from next 1 April	NTSCo	DNCos
			DNCos	NTSCo
30 June	Draft update	6 months from next 1 October	NTSCo	DNCos
			DNCos	NTSCo
15 September	Final update	6 months from next 1 October	NTSCo	DNCos
			DNCos	NTSCo

- The draft programmes provided by NTSCo shall be reviewed by the DNCos and at the request of either NTSCo or any DNCo any maintenance works included in the programme may be deemed Relevant Maintenance
- The draft programmes provided by a DNCo shall be reviewed by NTSCo and at the request of either the DNCo or NTSCo any maintenance works included in the programme may be deemed Relevant Maintenance
- Only Relevant Maintenance will be included in the final programmes.

7.5 Revision of Maintenance Programmes

- DNCos and NTSCo may revise their respective final Maintenance Programmes by notice given not less than 5 days ahead of the works commencing or such lesser period as the parties may agree.
- The notice will specify the nature of the works and the dates on which it will be carried out.
- Only Relevant Maintenance will be included in such revised final Maintenance Programme

7.6 Postponement of maintenance

- Either party has the right to postpone Relevant Maintenance to be conducted by the other party if the works would compromise the safe operation of the postponing party's system
- The party postponing the works will pay to the other the reasonable abortive costs associated with postponement

7.7 Maintenance Cooperation

- There are types of Relevant Maintenance that require the cooperation of the other party so as to ensure certain rates of gas flow at Offtakes to allow the maintenance to take place.
- A party when requested by the other to cooperate will do so, so as to facilitate the maintenance taking place.
- The maintenance will take place in accordance with detailed arrangements agreed between the parties.

- These types of maintenance will be treated as Flow Maintenance and the Offtake Rights Values revised only in the case of such maintenance conducted by NTSCo which affects its ability to make gas available at Offtakes in accordance with the Offtake Rights Values

7.8 Urgent Maintenance

- Urgent Maintenance is a form of Relevant Maintenance required to be conducted urgently in order to ensure the continued safe operation of either party's system and which cannot await revision to the final Maintenance Programmes under section 7.5
- The requirement for Urgent Maintenance works will be notified by the initiating party to the other and the parties will, acting reasonably and taking account of the urgency of the circumstances, agree to any timing conditions before works commence.

7.9 Notification of Maintenance Works.

- Each party will be responsible for notifying Shippers of any maintenance affecting the availability of gas for offtake at Supply Points connected to its system, in accordance with Network Code Section L 4.2.