



WALES&WEST
UTILITIES

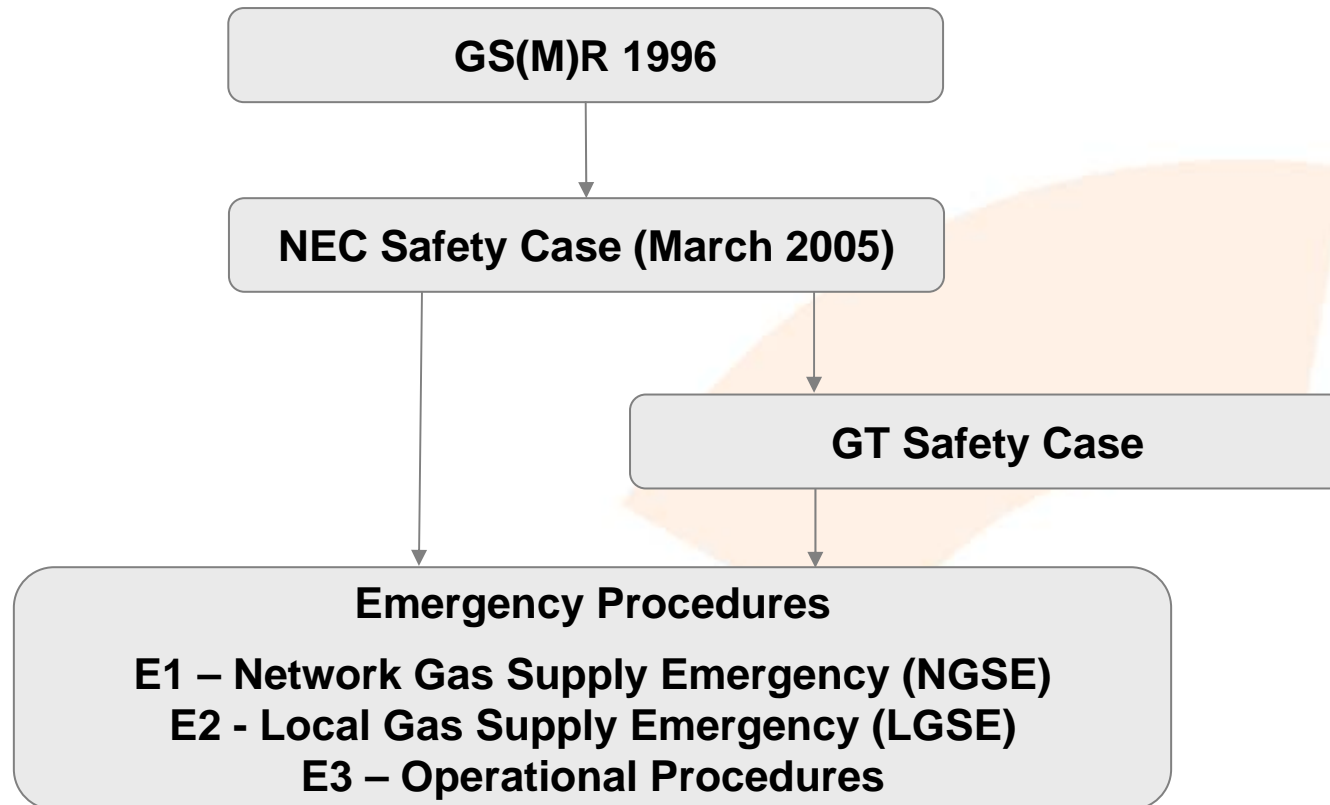


A Distribution Network Operator's Perspective

Liz Spierling

Commercial Manager - Transportation

Emergency Arrangements

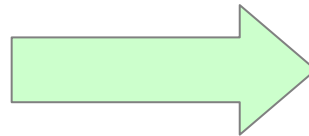


Emergency Arrangements

- GS(M)R 1996 - Safety Case obligations
 - The current NEC Safety Case was accepted by the HSE in March 2005
 - To prevent a Network Gas Supply Emergency from occurring, and if it should occur
 - Minimising the risk to the general public

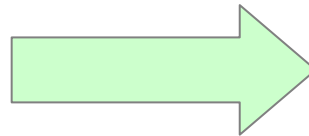


Stage 1
Potential



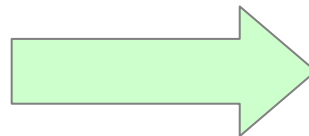
Maximise use of NTS Linepack
Maximise use of Network Storage
Emergency Specification Gas
Emergency Interruption

Stage 2
Declaration



Maximise beach gas
Maximise Storage
Suspension of gas market

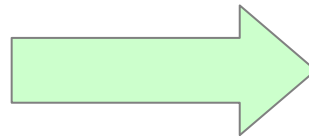
Stage 3
Firm Load Shedding



Firm Load Shedding

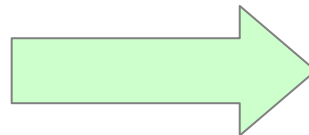
- Interconnectors
- Non domestic
- Public appeal

Stage 4
Isolation



System Isolation

Stage 5
Restoration



Restoration of gas supplies

Planning for Winter

- Network Planning
- Winter Operations
- Emergency Planning



Planning for Winter

- Network Planning
 - 1 in 20 obligation
 - Network Reinforcement Programme
 - 5 year and within year
 - Network Validation

Planning for Winter

- Winter Operations
 - Monitor project progress to meet “gas on” dates
 - Ensure contingency plans in place
 - Cooperate with Distribution National Control Centre to develop Winter Ops Plan
 - Implement Winter Ops plan

Emergency Planning

- Preparing for Winter – WWU
 - Emergency Contact Details
 - Operation Neptune (September 6/7)
 - Load shedding of 200 customers per LDZ – contact achieved within 2 hours
 - Quality of contacts

Emergency Planning

- Preparing for Winter – WWU
 - Winter Seminar for Large Customers and their Shippers
 - Bi-lateral Customer meetings

Emergency Planning

- Preparing for Winter – Shippers and Customers
 - Emergency Contact Details
 - Shut down procedures to ensure safety and plant integrity
 - Business continuity and risk management

Priority Customers

A priority customer is someone who has met the criteria laid down by the Secretary of State.

- Category A – Hospitals – Homes for the elderly
- Category B – As above but on interruptible contracts (5 hrs notice)
- Category C – Major items of plant in excess of £50 million
- The Emergency strategy may facilitate the supply of gas to priority customers.

Priority Customers

- dti consultation
 - **Proposals to update the gas priority user arrangements**
 - **Closing Date: 20-10-06**
 - <http://www.dti.gov.uk/consultations/page32587.html>

Impact of Industry Changes

- DN Interruption Reform
 - Mod 0090 under development through UNC Workgroup

DN Interruption Reform

- Transporter determines quantity of interruption required
- Investment Trade Offs – DN v NTS v Interruption
- Customer choice – period of contract, volume and duration of interruption

DN Interruption Reform

- Potential Outcomes
 - Greater DN investment → more secure network = lower probability of emergency?
 - Lower volumes contracted → emergency escalates to stage 3 more quickly
 - Storage monitors → may increase if sites are not DM = emergency escalates to stage 4 more quickly

DN Interruption

- Customer Opportunity
 - Establish value of interruption
 - Contract choices – number of days per year, length of contract, payment split
 - Flexible interruption volume (maintenance of firm load)
 - More certainty



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