

Entry Point Issues – Standards and Requirements

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Entry Capacity

- SSC D12 – Obligation to provide capacity that is available – but on a Non Firm basis
- System often cannot accept constant flows across the year (Constraints at times of low flow – Warm Summer Nights – No Domestic Heating Load)
- Firm Capacity rights likely to require significant system reinforcement
- Potential Future Options – Compression

Gas Quality

- GDN Obligation to comply with requirements of GSMR Schedule 3
- Ability to meet current requirements (Oxygen)
- Exemptions from GSMR available but limited
- Additional requirements identified via risk assessment
- Calorific Value & Propanation
 - Who is Responsible? – GDN, Producer, Gas Shipper?

Measurement Equipment

- Gas Quality Measurement
 - Standards & specification of kit to ensure compliance with GSMR Requirements
- Ofgem Directed Site
- Metering – Fiscal Standard
- Odourisation – Required
- Compliance with current legislation means that equipment costs are significant for small scale entrants

Ownership & Funding

- Range of Options for Ownership
 - NGN intend to make as much as possible contestable
 - NGN ownership limited to Odourisation and Valve
- Under current arrangements DN Entrant pays for all Capex required
 - Options for changes to charging methodology
 - Regulatory funding via PCR (Socialisation of Costs)