

FAO Steve Brown
The Office of Gas and Electricity Markets
9 Millbank
London
SW1P 3GE

13 January 2016

Dear Mr Brown,

Open Letter: Consultation on relaxing the accuracy requirements of Calorific Value Determining Devices

I am writing on behalf of Energy Networks Association (ENA). ENA is the industry body for UK and Ireland's gas and electricity transmission and distribution networks.

ENA and its members welcome the proposal from Northern Gas Networks (NGN) for use of the GasPT2 device as an appropriate CV determination device (CVDD) for the purpose of the Gas (Calculation of Thermal Energy) Regulations 1996, as amended. We also agree with the minded-to proposal from Ofgem to revise approval limits for CVDDs to an accuracy equivalent to Class 2 performance under USI 15971:2008 and Class A performance under OIML R 140:2007 – namely 0.2MJ/m³ (approx. 0.5%).

While no restrictions are proposed on the site flow rates for which the GasPT2 device is considered appropriate, the networks would welcome explicit confirmation from Ofgem that the regulator would continue to expect appropriate metering to be determined on a site by site basis. They also note that this proposal relates solely to CV determination, and not to compliance with the Gas Safety (Management) Regulations or other legal requirements.

Wales and West Utilities (WWU) have stated that they agree that the change would not have a detrimental impact on customers. They see the relaxation of the CVDD parameters as having the potential to promote further carbon reduction on the gas network by allowing new, cost efficient CVDDs to enter the market and thus lowering one of the potential barriers to entry for prospective biomethane and green gas producers.

The networks note that the price of different devices is changing, and that chromatographs have recently fallen in cost. However, while future savings are inherently uncertain, changes such as this will open the market and provide scope for further cost reduction.

National Grid Distribution Limited are happy to support the proposal by NGN but suggest that there are some practicalities that GDNs and Ofgem will need to discuss to enable efficient implementation in the following areas:

- Testing of the GasPT2 device,
- The Ofgem total approved solution,
- Quantity of produced data, and
- Type approval.

We hope that you have found these comments useful and we look forward to engaging with Ofgem as this review progresses.

Should you wish to discuss any of these points further, please contact Hollie Nicholls, Gas Executive via hollie.nicholls@energynetworks.org.

Yours sincerely,

A handwritten signature in blue ink that reads "David Smith". The signature is written in a cursive style with a horizontal line underlining the name.

David Smith

Chief Executive