

Gas Network Innovation Competition Full Submission
Supplementary Answer Form

Project: Commercial BioSNG Demonstration Plant

Tick if this answer has been provided verbally: ☐

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| Project code | NGGDGN02/1 | Question Number | 10 |
| Question date | 25/8/15 | Answer date | 27/8/15 |
| Submission section question relates to | General | | |
| Topic | | | |
| Question | The submission considers the benefit for the GDNs for lower NTS exit capacity charges. With the potential for BioSNG to meet 40% of UK domestic gas demand have NGGD considered the wider impact/benefit for the NTS eg future reduced load related expenditure? | | |
| Notes on question | | | |
| Answer | <p>NGGD has not considered any wider impact/benefits for the NTS of distributed BioSNG, mainly because NGGD operates at arms length from NG's Gas Transmission licenced entity and is not privy to NGGT's investment or operational plans. However, our view is that the large-scale roll-out of BioSNG is not likely to lead to significant savings in capital expenditure on the NTS (as the NTS is a mature network), but could lead savings in some operational costs e.g. in relation to compressor fuel. The magnitude of any possible operational savings is very hard to quantify without knowing specifically where the BioSNG plants would be located.</p> | | |
| Attachments | | | |

