iGT | UNC

**Stage 01: Modification Proposal**

# iGT063:

## Change to the iGT UNC Gas Day to align with the Gas Day in EU Network Codes

At what stage is this document in the process?

| | |
|---|---|
| 01 | Modification Proposal |
| 02 | Workgroup Report |
| 03 | Draft Modification Report |
| 04 | Final Modification Report |

*This modification seeks to implement changes to the definition of the Gas Day within the iGT UNC to facilitate compliance with European legislative changes.*

Proceed to workgroup

High Impact:
None identified

Medium Impact:
None identified

Low Impact:
Pipeline Operators, Pipeline Users


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## About this document:

This modification will be presented by the proposer to the panel on 16th July 2014. The panel will consider the proposer's recommendation, and agree whether this modification should be issued for consultation or be referred to a workgroup for assessment.


**Any questions?**

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# 1. Plain English Summary

## Is this a Self-Governance Modification?

The proposer believes that, in making the required changes to the iGT UNC to align the GB Gas Day with the Gas Day as defined in the EU Capacity Allocation Mechanism (CAM) Network Code, there will be no operational and/or development impact to parties. However, as there is not complete certainty that this mod will not have an immaterial effect on parties, it is proposed that this modification is not a self governance modification.

## If so, will this be progressed as a Fast Track Modification?

This modification will not be subject to fast track.

## Rationale for Change

The EU CAM Network Code gives the following definition:

'Gas Day' means the period from 5:00 to 5:00 UTC the following day for winter time and from 4:00 to 4:00 UTC the following day when daylight saving is applied.

In order to become compliant with the requirements of the EU CAM Network Code and the EU Gas Balancing of Transmission (BAL) Network Code, the GB Gas Day is required to align with the EU Gas Day as defined above. This effectively means a change from 06:00-06:00 to 05:00-05:00.

## Solution

It is proposed that the 06:00 time references are changed to 05:00 within the iGT UNC Part M which contains the iGT UNC current definitions.

## Relevant Objectives

The reference to the Gas Day being aligned throughout the European Union is included within the EU CAM Network Code. Implementation of this modification would therefore facilitate compliance with European legislative requirements.

## Implementation

Implementation is proposed as 1st October 2015, to align with the Uniform Network Code and EU CAM and EU BAL Network Codes.


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## 2. Rationale for Change

**EU CAM Network Code**

The current Gas Day in the iGT UNC is 06:00-06:00. Although the EU CAM Network Code is only applicable at Interconnection Points (IPs), the Gas Day is referenced in other EU Network Codes (eg EU BAL Network Code) that apply to the whole GB downstream network. The definition contained within the EU CAM Network Code has the same meaning when referenced in other codes, therefore the Gas Day time has to be amended across the whole GB downstream network. The EU CAM Network Code and EU BAL Network Code state the Gas Day means the period from 5:00 to 5:00 UTC the following day for winter time and from 4:00 to 4:00 UTC the following day when daylight saving is applied. This legislative requirement relating to the Gas Day timing contained within the EU CAM Network Code and EU BAL Network Code supersedes any prevailing GB legislation, licences and industry codes.~~Although CAM is only applicable at Interconnection Points (IPs), the Gas Day is referenced in other EU Network Codes (eg EU BAL Network Code) that apply to the whole GB gas regime. The definition contained within the EU CAM Network Code is generic and has the same meaning when referenced in other codes, therefore implying the Gas Day time has to be amended across the whole GB gas regime.~~

The EU CAM Network Code gives the following definition:

~~'Gas Day' means the period from 5:00 to 5:00 UTC for winter time and from 4:00 to 4:00 UTC when daylight saving is applied.~~
'gas day' means the period from 5:00 to 5:00 UTC the following day for winter time and from 4:00 to 4:00 UTC the following day when daylight saving is applied

**IGT UNC**

The iGT UNC currently defines the Business Day, Day and Gas Year as follows:

- "Business Day" means (except for the purposes of Part C, D and E) a Day other than a Saturday or a Sunday or a Day which begins at 06:00 hours on a bank holiday in England and Wales
- "Day" means the period from 0600 hours on one day until 0600 hours on the following day
- "Gas Year" means the period from 0600 1st October in any year until 0600 1st October in the following year

This legislative requirement relating to the Gas Day timing contained within the EU CAM Network Code as stated above and subsequently applied in the EU BAL Network Code supersedes any prevailing GB legislation. Domestic licences and industry codes will also need to be amended to ensure compliance with the new definition of Gas Day as specified in CAM. Therefore, as the implementation of the EU Network Codes directly impacts on the iGT UNC, this modification is proposed to ensure that the Gas Day, Business Day and Gas Year definitions are correctly aligned with the EU legislation.

**Other Codes**

The primary purpose of this modification is to ensure full legislative compliance and, as Ofgem approved the modification to the Uniform Network Code, UNC 0461, on 28th March 2014, it will also align the iGT UNC with the UNC.

## 3. Solution

**IGT UNC current definitions**

**Part M – Definitions**

It is proposed that the 06:00 time references below are changed to 05:00 within Part M – definitions of the iGT UNC:


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- "Business Day" means (except for the purposes of Part C, D and E) a Day other than a Saturday or a Sunday or a Day which begins at **06:00** hours on a bank holiday in England and Wales
- "Day" means the period from **06:00** hours on one day until **06:00** hours on the following day
- "Gas Year" means the period from **06:00** 1st October in any year until **0600** 1st October in the following year

## 4. Relevant Objectives

| **Impact of the modification on the Relevant Objectives:** | |
|---|---|
| Relevant Objective | Identified impact |
| a) Efficient and economic operation of the pipe-line system. | None |
| b) Coordinated, efficient and economic operation of<br>(i) the combined pipe-line system, and/ or<br>(ii) the pipe-line system of one or more other relevant gas transporters. | Positive |
| c) Efficient discharge of the licensee's obligations. | None |
| d) Securing of effective competition:<br>(i) between relevant shippers;<br>(ii) between relevant suppliers; and/or<br>(iii) between DN operators (who have entered into transportation arrangements with other relevant gas transporters) and relevant shippers. | None |
| e) Provision of reasonable economic incentives for relevant suppliers to secure that the domestic customer supply security standards… are satisfied as respects the availability of gas to their domestic customers. | None |
| f) Promotion of efficiency in the implementation and administration of the Code. | None |
| g) Compliance with the Regulation and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators. | Positive |

The proposer considers that this Modification would facilitate:

**Objective b**

Aligning the Gas Day throughout all codes ensures the coordinated, efficient and economic operation of the pipe-line system of one or more other relevant gas transporters.

**Objective g**

Implementation of this modification will facilitate compliance with European legislative requirements by
changing the definition of the GB Gas Day in the iGT UNC to correspond with the definition of the Gas Day contained within the EU CAM Nnetwork Ccode. Implementation, therefore, facilitates the Relevant Objective (g) "Compliance with the


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Regulation and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators". Introducing a common Gas Day across the European Union is part of the package of changes that is being introduced to support the development of effective competition in the EU gas market. Moving to a gas day that is consistent with other EU countries ~~may~~should, therefore, further facilitate the securing of effective competition between Shippers and between Suppliers in the GB gas market.

## 5. Impacts and Costs

The proposer believes that there will be no operational and/or development impacts as a result of this change and, therefore, that there will be no costs to parties.

## 6. Likely Impact on Consumers

The proposer believes that there will be no impact to Consumers.

## 7. Likely Impact on Environment

The proposer believes that there will be no impact on the environment.

## 8. Implementation

The proposer is suggesting an implementation date of 1st October 2015 to align with the UNC and to ensure implementation ~~prior to~~in time for the EU CAM Network Code and the EU BAL Network Code implementation on 1st October 2015.

## 9. Legal Text

Suggested Legal Text:

Part M – definitions

Replace below references to 06:00 or 0600 with 05:00:

- "Business Day" means (except for the purposes of Part C, D and E) a Day other than a Saturday or a Sunday or a Day which begins at ~~**06:00**~~ 05:00 hours on a bank holiday in England and Wales
- "Day" means the period from ~~**0600**~~ 05:00 hours on one day until ~~**0600**~~ 05:00 hours on the following day


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- "Gas Year" means the period from ~~0600~~ 05:00 1st October in any year until ~~0600~~ 05:00 1st October in the following year

## 10. Recommendation

- Determine that this modification should progress to at least one work group followed by Consultation.

This proposed change has been discussed at various forums, including the iGT UNC Panel and iGT Shipper workgroup. It is believed that it will be no surprise to industry parties.


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