










Workgroup Report	At what stage is this document in the process?
<h1>IGT172: Provision for gas entry within the IGT UNC</h1>	<div style="display: flex; flex-direction: column; gap: 5px;"> <div style="border: 1px solid green; border-radius: 5px; padding: 2px; display: flex; align-items: center; gap: 5px;"> 01 Modification </div> <div style="border: 1px solid blue; border-radius: 5px; padding: 2px; display: flex; align-items: center; gap: 5px;"> 02 Workgroup Report </div> <div style="border: 1px solid purple; border-radius: 5px; padding: 2px; display: flex; align-items: center; gap: 5px;"> 03 Draft Modification Report </div> <div style="border: 1px solid orange; border-radius: 5px; padding: 2px; display: flex; align-items: center; gap: 5px;"> 04 Final Modification Report </div> </div>
<p>Purpose of Modification:</p> <p>To introduce to the IGT UNC, provisions that replicate, as closely as practicable, the established LDZ entry arrangements in UNC. This will ensure suitable arrangements are in place if and when entry to an IGT network (IGT UNC defined term – ‘Pipeline’) is sought and will marry to UNC 0842.</p>	
	<p>The Workgroup recommends that this modification should:</p> <ul style="list-style-type: none"> assessed by a Workgroup before proceeding to be subject to an Authority Decision <p>The Panel will consider this Workgroup Report on 22nd March 2024. The Panel will consider the recommendations and determine the appropriate next steps.</p>
	<p>High Impact:</p> <p>Developers of gas production facilities for whom delivery to an IGT network is optimal</p> <p>Pipeline Operators that accept delivery of gas to their network(s)</p>
	<p>Medium Impact:</p> <p>None</p>
	<p>Low Impact:</p> <p>Large Transporters and Pipeline Users</p>

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Timetable		 02070901044
The Proposer recommends the following timetable:		Proposer: Nick King – Barrow Shipping
Initial consideration by Workgroup	09 November 2023	 igtunc@gemserv.com
Amended Modification considered by Workgroup	N/A	 nick.king@cngservices.co.uk
Workgroup Report presented to Panel	22 March 2024	 telephone 0121 247 8160
Draft Modification Report issued for consultation	22 March 2024	
Consultation Close-out for representations	17 th April 2024	
Variation Request presented to Panel	N/A	
Final Modification Report available for Panel	19 April 2024	
Modification Panel decision	26 April 2024	

1 Summary

What

UNC TPD Section I 'Entry Requirements' is designed to ensure that gas entering the GB 'Network' (as defined in GS(M)R, which includes the NTS, Large Transporter Systems and IGT networks as one) meets all requirements including GS(M)R compliance.

The IGT UNC does not include the equivalent provisions for direct entry of gas to an IGT network. The IGT UNC is also silent on how gas flowing from an IGT network into a Large Transporter System would be treated. This modification proposal seeks to remedy this.

Why

A number of potential gas producers have identified that the optimal way in which to inject gas to the GB network may be via an IGT network. While there is nothing in the IGT UNC that precludes this, it is in all parties' interest to ensure that appropriate arrangements are in place to ensure all safety (i.e. gas composition and measurement) and commercial (i.e. use of system) requirements are met.

Similarly, there are no IGT UNC nor UNC provisions that preclude gas entering a Large Transporter system via an IGT network. Clarifying issues around this transfer of gas in both the UNC and IGT UNC will deliver the necessary consistency and clarity.

How

To address UNC related issues, SGN has raised UNC modification proposal 0842 'Gas Entry onto the Total system via an Independent Gas Transporter'. IGT UNC modification 172 proposes the necessary IGT UNC provisions, which are consistent with the existing and proposed UNC requirements.

IGT UNC Modification 172 proposes to codify arrangements between Pipeline Users and Pipeline Operators for new gas entry directly into an IGT network, and indirectly from such IGT network into a Large Transporter System, completing the marry of the two modifications.

The main proposal is to incorporate into the IGT UNC, amended to adopt IGT UNC terminology, UNC TPD Section I 'Entry Provisions' as it applies to 'LDZ System Entry Points' with minor associated additions and consequential changes to other existing IGT UNC sections where they are needed. The commercial use of system and connection arrangements would also follow the LDZ entry equivalent – Gemini logical meter to record energy and allocate to a Shipper for UNC purposes; and charging for connection on a case by case basis in accordance with the established methodologies of each transporter.

2 Governance

Justification for Authority Governance Procedures

This Modification is a marry to UNC Mod 0842, with the overarching objective that they work together to allow new sources of gas to be entered directly into an IGT network and on to a Large Transporter System, thus allowing new sources of gas onto the Total System through a new, additional route. The

modification is particularly aimed at allowing increased volumes of biomethane and other green gases to be injected.

The UNC Modification Panel determined that UNC Mod 0842 is material change that warrants an Authority decision, so this modification should follow the same governance, ideally with the two being considered together.

Workgroup Discussions (March 2024)

The Workgroup are in agreement with the Proposer's justification for the Modification being an authority decision.

3 Why Change?

Biomethane is being injected across the GB gas grid with over 100 sites connected to Large Transporter networks. There is potential for more biomethane (and other green gases) to be developed, but producers only have the one option of connecting to a Large Transporter system. In some cases, developers have identified that delivering gas to an IGT network would be more economic than delivery to a Large Transporter. This may be, for example, because there is no suitable Large Transporter network nearby, or because a Pipeline Operator may offer a more economic and efficient solution than a Large Transporter.

There is therefore an opportunity to extend the market for such connections by modifying the IGT UNC to introduce arrangements that apply when gas is injected to an IGT network.

When coupled with the proposed changes on UNC Mod 0842 – Gas Entry onto the Total system via an Independent Gas Transporter, this modification will facilitate competition in connections and gas transportation, and the expansion of GB produced gas.

If one or both of the proposed changes to the two codes is/are not made, the prospective developers will continue to have only the one connection option, with no commercial alternative and limited potential for alternative products and/or services, and in some cases, the development will not take place, resulting in less green gas displacing gas from traditional sources.

4 Code Specific Matters

Technical Skillsets

None specifically, although an understanding of how LDZ gas entry works in UNC and provisions in both codes concerning operator to operator agreements would be helpful across the UNC and IGT UNC.

Reference Documents

Industry Codes

IGT UNC

UNC TPD Section A definitions relating to System Entry Points

UNC TPD Section I in its entirety, but with focus on 3.11 and exclusion of NTS provisions

British Gas Network Code High Level Principles 1995

British Gas Business Rules / Detailed Business Rules 1995-6

LDZ Network Entry Agreements (NEA)

UNC modifications referred to in the proposal

UNC 0154 – ‘Enduring Provisions for LDZ System Entry Points’ <https://www.gasgovernance.co.uk/0154>

UNC 0842 – ‘Gas Entry onto the Total system via an Independent Gas Transporter’
<https://www.gasgovernance.co.uk/0842>

UNC 0440 – ‘Project Nexus – IGT Single Service Provision’ <https://www.gasgovernance.co.uk/0440>

UNC mod 440 associated IGT UNC modification

IGT039: ‘Use of a Single Gas Transporter Agency for the common services and systems and processes required by the IGT UNC’ https://www.igt-unc.co.uk/wp-content/uploads/2018/01/iGT039_D.pdf

Ofgem documents (relevant to UNC mod 0154)

‘Gas Transmission – new NTS entry points, reserve prices in auctions and unit cost allowances (UCAs), Consultation Document – May 2005’ <https://www.ofgem.gov.uk/publications/gas-transmission-new-nts-entry-points-reserve-prices-auctions-and-unit-cost-allowances-ucas>

‘New entry arrangements for connecting to the gas distribution network, Consultation Document – July 2006’ <https://www.ofgem.gov.uk/sites/default/files/docs/2006/07/14588-11606.pdf>

‘Entry arrangements for connecting to the gas distribution network | Ofgem (3 Jan 2007)’
<https://www.ofgem.gov.uk/publications/107-entry-arrangements-connecting-gas-distribution-network>

UNC Pricing Paper (relevant to UNC mod 0154)

PDDN03 – LDZ System Charges – Charging for LDZ System Entry Points (December 2007)
<https://www.gasgovernance.co.uk/pddn03>

5 Solution

Outline

The proposed Modification consists of two elements, which will:

- Complete the marriage of IGT UNC to UNC Mod 0842, with the overarching objective that the two codes work together when gas enters directly into an IGT network and is transported to a Large Transporter System.

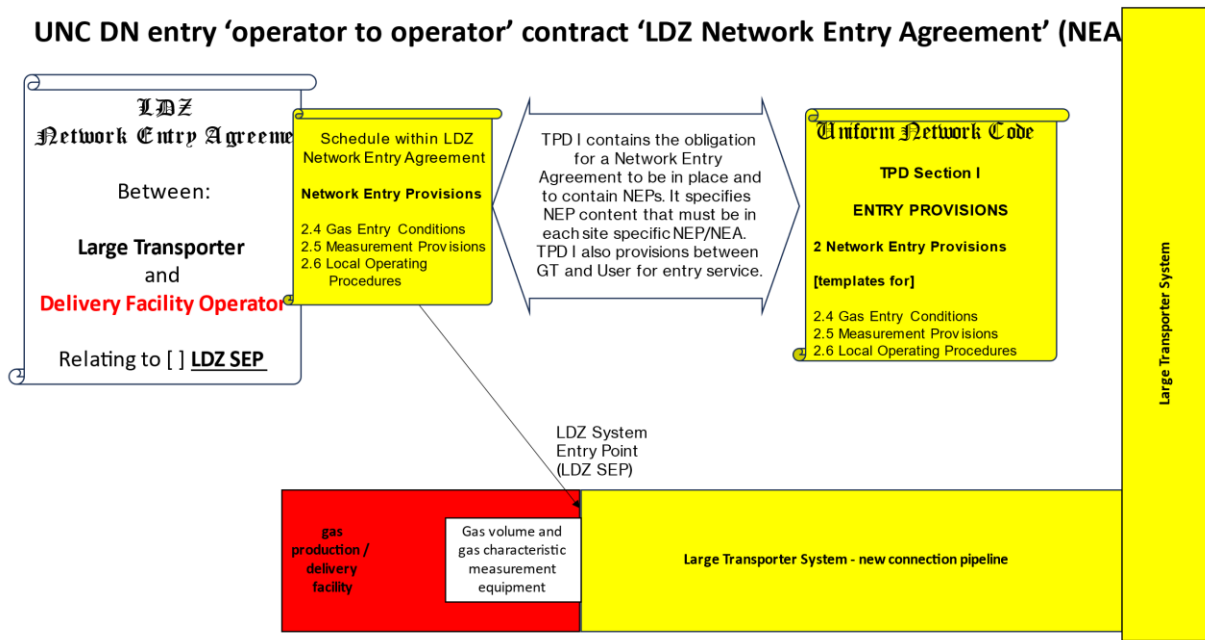
The key 'marriage' features of UNC 0842 are that:

- An entry agreement must be entered in to, based on the UNC LDZ Network Entry Agreement that contains contractual gas composition and volume measurement provisions that are directly binding on the delivery facility operator through the terms of the agreement, and on Pipeline Users and UNC Users through the IGT UNC and UNC respectively (UNC modification 0842 refers to this agreement as a 'Tripartite Agreement'); and
 - The transfer of title and risk already in place in other UNC and IGT UNC arrangements where gas moves between systems be extended to include transfer from a Pipeline User to Pipeline Operator at the point of entry of new gas into an IGT network.
- Introduce commercial provisions in IGT UNC, to apply to Pipeline Operators and Pipeline Users, when gas is entered directly into an IGT network from a gas delivery facility.

The UNC has commercial provisions for gas entry within TPD Section I 'Entry Requirements', which were introduced in the original Network Code in 1996 and other than a few additions irrelevant to this Modification proposal, remain substantially unaltered. The principles were developed by formal industry work groups, using iterations of business rules, followed by detailed business rules, and following a process similar to those used for present day UNC and IGT UNC modifications, the rules became the legal text that this Modification proposes to incorporate.

The core concept within Section I is that site specific 'Network Entry Provisions' (NEPs) comprising 'Gas Entry Conditions' and 'Measurement Provisions' are held in a schedule of a 'Network Entry Agreement' (NEA) between the Large Transporter and a 'Connected Delivery Facility Operator'. The NEPs are subject to UNC governance, but the remainder of the NEA, which is otherwise an 'operator to operator' bilateral agreement, primarily concerning parties engineering responsibilities and obligations at the physical interface, is outside UNC governance. The link between NEPs in a NEA and wider TPD is that Section I 1.3 requires that NEPs remains in force for the entry service to be permitted. If the UNC provisions are breached by the User trying to deliver gas that does not comply with the NEPs, the Large Transporter can discontinue flow.

UNC DN entry ‘operator to operator’ contract ‘LDZ Network Entry Agreement’ (NEA)



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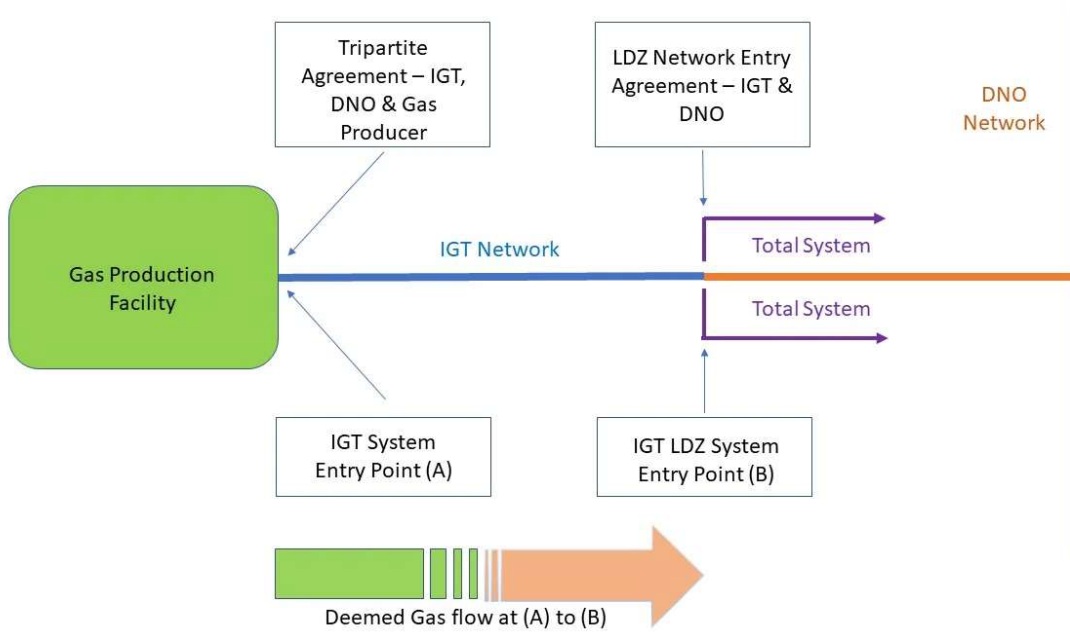
In the interests of avoiding industry fragmentation, it is not desirable for an arrangement that differs from this to be introduced, so UNC Mod 0842 is based on LDZ entry arrangements being replicated in IGT UNC, requiring that Pipeline Operators providing the service put in place an agreement (similar to a NEA but with the Large Transporter able to be an additional party) to “...contain provisions equivalent to Network Entry Provisions and Local Operating Procedures – i.e. rules specifying requirements for the delivery of gas to the Total System...” at the physical entry point to the IGT network. Under the proposed arrangement, the Large Transporter’s rights would be identical to those at an LDZ System Entry Point and would notably include monitoring of compliance with the site-specific NEPs and the right of transporters to isolate the gas source if necessary to safeguard the Network.

Gas entering the IGT network therefore needs to be subject to IGT UNC equivalents of the UNC TPD concepts of LDZ System Entry Point, Section I ‘Entry Requirements’, and site-specific NEPs for gas measurement and composition mechanism which ensure GS(M)R compliance and protect pipeline systems. However, as NEPs are strictly a UNC concept, for use under that code, UNC Mod 0842 does not require that IGT UNC should use UNC NEPs, but instead requires that IGT UNC has ‘provisions equivalent’ to them.

As closely as is practicable, this IGT UNC modification proposes replicating the relevant provisions of ‘LDZ System Entry Point’ within UNC TPD Section I ‘Entry Requirements’.

For the avoidance of doubt the required changes to UNC and IGT UNC will require creation of two ‘operator to operator’ agreements, one each to apply at each interface on the IGT network, which would include the Pipeline Operator and Large Transporter as parties, for example as shown in the graphic and tables below.

UNC Modification 842 – Agreement and entry points.



The proposed ‘operator to operator’ agreement at the physical interface between gas producer and Pipeline as proposed by UNC Mod 0842

Upstream Party	Downstream Party	Agreement
Non-IGTAD party (owns and maintains apparatus)	Pipeline Operator (owns and maintains Pipeline apparatus) and Large Transporter (controls the Pipeline Operator’s valve)	UNC Mod 0842 “...an agreement the (‘Tripartite Agreement’) between the DN Operator, the IGT and the gas production operator of the facility connected to the IGT System in relation to the (corresponding) IGT SEP’ [to] ‘contain provisions equivalent to Network Entry Provisions and Local Operating Procedures – i.e. rules specifying requirements for the delivery of gas to the Total System at the IGT LDZ SEP and the IGT SEP.”

The proposed ‘operator to operator’ agreement at the physical interface between Pipeline and Large Transporter System as proposed by UNC Mod 0842

Upstream Party	Downstream Party	Agreement
Pipeline Operator (owns and maintains apparatus)	Large Transporter (owns and maintains apparatus)	IGT LDZ Network Entry Agreement (between the DNO and the IGT) which treats the provisions in the Tripartite Agreement ... as Network Entry Provisions and Local Operating Procedures.”

A complete list of documents to potentially be changed and/or created follows:

Existing documents to be amended in line with the Modification intention and requirements:

1. IGT-UNC (this Modification proposal)
2. UNC TPD Sections A and I (UNC Mod 0842)

3. Participating Pipeline Operators' Licence Condition 4B Connection Charging Statement Methodologies
4. Participating Large Transporters' Licence Condition 4B Connection Charging Statement Methodologies

New generic template 'operator to operator' agreements to be created by participating Large Transporters and/or Pipeline Operators as proposed by UNC Mod 0842, to be based on LDZ Network Entry Agreements:

1. 'Gas production facility or non-UNC IGTAD party pipeline' to 'Pipeline' physical interface
2. 'Pipeline to Large Transporter System' physical interface

New agreement to be created by participating Pipeline Operators based on the LDZ equivalent introduced by UNC Mod 154:

A commercial 'bilateral agreement', enabled by the Pipeline Operator's LC4A Transportation Charging Statement or LC4B Connection Charging Methodology Statement.

Business Rules

1. This Modification shall:

- a. Introduce physical flow and commercial provisions to IGT UNC, by incorporating to the greatest extent practicable, the provisions contained in UNC TPD Section I 'Entry Requirements', including those that would:
 - i. define a point at which gas that has not already been conveyed through the Large Transporter system may enter the IGT network (the UNC mod 0842 BR 1 proposed UNC term for this point is 'IGT SEP')
 - ii. define a delivery facility and the operator of such facility
 - iii. stipulate that a Pipeline User '...cannot deliver gas to the ... [IGT network] ... unless there is in place an agreement ... between the DN Operator, the IGT and the gas production operator of the facility connected to the IGT System in relation to the (corresponding) IGT SEP...' (UNC mod 0842 BR 3), and that this agreement will:
 1. '... contain provisions equivalent to Network Entry Provisions and Local Operating Procedures – i.e. rules specifying requirements for the delivery of gas ...' UNC mod 0842 BR 4)
 2. allow the '...DNO, IGT and gas production operator ...[to]... manage and operate the flow and monitoring of the gas ... in line with an agreement' which could extend to discontinuance of physical flow if the provisions equivalent to UNC Network Entry Provisions as UNC mod 0842 requires are breached (UNC mod 0842 Clarification Point 4)
 3. provide relief to the IGT where flow is discontinued in the circumstances in (2.) above
 4. allow both the IGT and the Large Transporter to have access to the delivery facility for purposes of engineering integrity and audit of

- 5. measurement equipment (UNC mod 0842 Clarification Point 6) replicate the arrangements whereby UNC gas flow and CV data measured by equipment owned and operated by the non-code delivery facility operator is transferred to the Large Transporter (UNC mod 0842 BR 9)
- b. marry IGT UNC to UNC Mod 0842 by completing the dovetailed principle of transfer of title and risk at the Pipeline Entry Point (UNC term - IGT entry point) as shown below:

Interface - Pipeline Entry Point (UNC term - IGT entry point)

Transferor	Transferee	Legal provisions
Pipeline User	Pipeline Operator	Legal text to be added to IGT-UNC by this Modification

For information and the avoidance of doubt, the remainder of the transfer of risk is at the **Downstream System Entry Point** (UNC term - LDZ SEP) and is or will be as follows:

Transferor	Transferee	Legal provisions
Pipeline Operator	<i>Pipeline User</i>	IGT-UNC Part J 2.2 (existing)
<i>Pipeline User</i>	<i>UNC Shipper User</i>	UNC Mod 0842 proposes adding new provisions to UNC TPD Section I (specifically 3.12.7)

- 2. A new provision is required to confirm that a physical interface between a Pipeline and a Large Transporter System can comprise a CSEP, IGT LDZ System Entry Point or both, just as UNC TPD enables the equivalent in Sections I 1.2.4 and J 1.4.6.
- 3. IGT-UNC already has provisions relating to ‘operator to operator’ physical interfaces at both Pipeline entry and Pipeline exit. The main sections containing such provisions are Part H ‘SYSTEM MAINTENANCE AND PLANNING and Part I ‘EMERGENCIES’. These Parts contain some provisions that are identical to those in UNC TPD Section I and a few that are new or differ slightly. To avoid duplication through the creation of new content, these Parts should be extended in scope and content to pipeline entry defined terms alongside Connection Point and Downstream System Exit Point where appropriate.
- 4. Further minor consequential changes are required to IGT-UNC parts to knit together existing provisions with the proposed new content.

Workgroup Discussions (November 2023)

The Proposer presented the Modification and how it marries to UNC0842 – Gas Entry onto the Total System via an Independent Gas Transporter.

A question was raised about the “Network Entry Agreement” for the Gas Producer and if it was an equivalent to the “Network Exit Agreement” which is used by an IGT. The Proposer confirmed that this was the case.

The Code Administrator asked about the HSE's involvement when TPD Section I was introduced to the UNC, and whether the HSE would need to participate in this new Modification development. They added that the HSE would potentially be interested in ensuring that the Governance is in place for the entire process laid out in UNC0842 and IGT172. The Proposer said that the HSE are involved in Safety Case discussions.

A question was asked as to what the consequences would be if a party was in breach of the Network Entry Agreement, for which the Proposer confirmed that the supply would be terminated through a remotely operated valve.

The Code Administrator asked about the measuring issues on the meters which are recorded for Settlement, from a governance perspective. The Proposer confirmed that in extreme circumstances, the delivery of gas at the point can be turned off and that annual audits are performed on the meters to ensure accuracy.

The Proposer confirmed that in the case if an incorrect meter, the gas can be turned off. An IGT asked if there would be a valve which could be switched off by the GDN, for which the Proposer replied that this would be determined outside of the Code in the Tripartite Agreement to be introduced by UNC Mod 0842.

The Workgroup discussed the Tripartite Agreement. It was confirmed that this will be written by the Large Transporter and that both the IGT UNC and the UNC would be pointing to the Tripartite Agreement and use the 'provisions equivalent to Network Entry Provisions' that will be a Schedule to it. A question was raised as to whether the IGTs would be responsible for the Tripartite Agreement, as GDNs are not parties to the IGT UNC. The Proposer confirmed that the agreement is a condition precedent and an ongoing obligation: if there is no agreement, there will be no service.

The Code Administrator asked why the entire Network Entry Agreement needs to be put into the IGT UNC, they added that this was not indicated as being necessary in UNC0842. The Proposer said that the Network Entry Agreement/trilateral agreement would not be part of either Code but would be required to be in place outside of the Code but by the Code, and that the equivalents of Network Entry Provisions which will be a part of IGT UNC were essential for IGT172 and UNC 0842 to be effective.

The Workgroup discussed the issue of Transportation Charges. The Transportation Charges for the cross-code arrangement are all done under the UNC system. An IGT said that this could give the impression of a nullification of charges on the IGT network and that for the avoidance of doubt, it could be clarified that the Modification does not impact any existing Transportation Charges.

The Proposer confirmed that for IGT 172, the IGT would not charge the Shipper, but as happens with GDNs, the IGT would charge through a bilateral agreement. An IGT asked if the costs of the Transportation would be done through central systems or in the bilateral agreement. They added that as the gas is going upstream in the physical system, there is no impact to MPRNs. The Proposer responded to say that at LDZ entry points, there is a Gemini meter for UNC transportation purposes, but that the charges for providing and maintaining the entry point are outside code, covered by the bilateral agreement.

For UNC0842, the CDSP has stated that new IGT entry points will function like existing LDZ biomethane sites. Under UNC0842, the information is passed to the relevant DN. If a biomethane plant is connected to a GDN network, the volume of gas introduced into the network for UNC purposes is done through Gemini.

The Workgroup asked about a scenario related to a biomethane plant. Under an existing IGT network, a biomethane plant could be connected to an IGT network, but "is this taken into account in this Modification?" The Proposer said that this could apply under any circumstances. This Modification is

intended to apply to new builds and to existing IGT pipelines. The agreement for shutoff was confirmed would be the same. It was confirmed that the Supplier is not involved in this process.

Workgroup Discussions (December 2023)

The Workgroup concluded that a new Network Entry template (Tripartite Agreements) would be useful, potentially to be added in an ancillary agreement. The Proposer informed the Workgroup that SGN had offered to produce an agreement template.

The Workgroup asked where the Tripartite Agreement would sit, as this activity will not be optional for GDNs. The Tripartite Agreement contents are not mandated while the activity itself would be mandated. This created a risk that the Distributor could ask for provisions in the agreement which parties would not expect. This could imply a weakness and might prevent IGTs from signing the agreement. An IGT mentioned that going from past NExA (Network Exit Agreement) examples, the relevant GDN would draft the agreement, to which the IGT would agree. The Tripartite Agreement is not transparent to the three parties that must sign it. Furthermore, the template created by SGN would not be mandated as the template to be used by other Distribution Networks. The Proposer pointed to rules within the legal drafting that "Network Entry Provisions may specify Local Operating Procedures". The Code Administrator reminded the Workgroup that the inability to know the contents of the Agreement could diminish the legal standing of the document.

The Workgroup confirmed that an Entry Agreement with a GDN is necessary for the process function. It was added that there needed to be a compromise for the agreement to work and that as long as the GDN demands are within reason for the IGT, the commercial framework would be robust. The IGTAD does require IGTs to sign up an agreement and as the IGT is not mandated to sign the agreement, the GDN would ensure that the Agreement is reasonable. The Tripartite Agreement requirement will sit under the UNC and the IGT UNC. The Proposer clarified that the IGT is not obliged to participate in this scheme or to sign the Agreement.

It was clarified that when a contract is agreed for an AD plant to connect to the IGT network, a Shipper will be nominated as the "Pipeline User". The Entry Agreement would need to be put in place before the AD arrangements can be made. The Code Administrator asked if the Network Entry Provisions for shippers were contained under the UNC. The Proposer responded that the UNC makes reference to Network Entry Provisions. However, if inadequate quality gas goes into the network, this would be the Shipper's responsibility under the IGT UNC.

An IGT queried about the need for an additional Shipper for entry as there is already a Shipper for the Gas in the System. The Proposer responded that there must be a separate Shipper involved for the biomethane to be injected into the network. This Shipper would incur the same transportation charges that the GDN or the IGT impose on them.

Workgroup Discussions (January 2024)

The Workgroup examined how the Proposer was looking to use and change the drafting of TPD Section I Entry Requirements for the purposes of the IGT UNC. The Workgroup were reminded that the revised drafting of TPD Section I text would eventually be added to the IGT UNC and that TPD Section had been in UNC Code since the creation of the UNC and is largely unchanged.

It was queried why the Proposer had chosen not to link the drafting from the UNC with the IGT UNC and planned to insert the drafting into the IGT UNC and if the task could be simplified to provide legal structure in the event that changes are made to the UNC. The Proposer responded that the IGT UNC does not currently have gas entry and that a consolidated legal document would likely be necessary.

An IGT confirmed that as this was a completely new concept, they believed that having the full text in the IGT UNC was the best option. They would ensure that any new Modifications would be reviewed to ensure that the drafting aligns between the IGT UNC and UNC.

The Code Administrator queried if a Shipper wished to change the gas specification for gas going into the network, how this translated into the IGT UNC. The Proposer responded that this is specific to each entry point and in the UNC is done through raising a modification. The Code Administrator asked to clarify if a UNC Change or an IGT UNC change would be made specifically for an IGT entry point. The Proposer pointed to paragraph 2.2.1 of TPD Section I. It was added that IGTs, DNOs, and Shippers are all party to the UNC and felt that the IGT and the Shipper could not agree on gas specifications in isolation.

The Proposer reminded the Workgroup that the 3 parties must agree to any changes in the required Tripartite Agreement. The Code Administrator reminded the Workgroup that Shippers are not party to the Tripartite Agreement. This could add further complexity when the premise of the IGT UNC Modification was to make the process the same in the UNC and the IGT UNC.

The Workgroup queried what would need to be changed in Code to change Network Entry Provisions. The Proposer responded that this was in the “Entry Provisions” Schedule and that a legal team would need to be involved for any changes to be made to the Schedule.

An IGT queried why the Network Entry Agreement could not include scope for changes to be made after the fact. They provided the example of the oxygen levels in the gas. The Proposer provided historical background to the creation of the UNC and gas entry to the system. They mentioned that the gas specification was relevant to the entire industry and that any change that might affect shippers would potentially affect consumers. The Proposer added that this required safeguards to be put in place.

A Shipper asked the question of how the calorific value would work with the introduction of Hydrogen to the network. They added that there is no IGT UNC equivalent. They queried if the Proposer would take this away for consideration in the context of UNC0849R – Commercial Framework Review to Enable Hydrogen Blending. The Code Administrator informed the Workgroup that the Review Group had shown to the industry that Hydrogen blends could be introduced to the Network, and that Modifications would be expected to follow once UNC0849R reaches a conclusion. It was added that under these circumstances it could be expected that the Network Entry Provisions would be subject to change in the future.

The Code Administrator mentioned that a gas “shortfall” would upset Transmission, as written in section 3.11.6. The Proposer responded that it was a different type of shortfall, adding that this was a measure of how accurate the expected numbers are. They added that these input nominations would be processed as data by the National Gas control centre. The Proposer added that this shortfall is the measure of how close each Shipper’s import nomination, i.e. what is expected to go into the system, is compared to the volumes that are put into the system.

The circumstance where gas of the wrong specification was entered onto the system at an IGT entry point was discussed along with what actions might be taken by an IGT to remedy the issue and which Parties might be interested. An example discussed was where ‘venting’ the offending gas might be required.

The Code Administrator queried if IGT UNC governance was necessary so that IGTs could ensure the GDNs send the flows across on their behalf. The CDSP responded that this would depend on what governance was referenced in the UNC from the IGT UNC. They added that this would depend on the updated version of UNC0842. They also added that as long as the CDSP received the data from the GDNs the process would work and that the CDSP would have no involvement in the transfer of the data from the IGT to the GDN. It was mentioned that this was part of the Tripartite Agreement.

Workgroup Discussions (February 2024)

The Workgroup stressed the significance of IGT172 to their respective organisations and expressed support for the modification and the legal wording introduced to date.

A Workgroup attendee expressed support for IGT172 from a shipper's perspective. They highlighted that the modification would not be adding anything new regarding entry requirements and provisions for most shippers. They also stressed the importance of marrying this modification to UNC 0842 - Gas Entry onto the Total system via an Independent Gas Transporter and in supporting new green gas producing facilities and the de-fossilisation of the gas grid.

Additional Legal Drafting Meeting Discussions (March 2024)

The Workgroup asked whether the obligation to obtain meter readings needed by the GDNs is covered under the IGT UNC legal drafting for IGT172, or the UNC legal drafting for UNC 0842. The proposer responded that this would be covered under the IGT equivalents of a Network Entry Agreement (the Tripartite Network Entry Agreement (NEA)/Pipeline Entry Agreement) and the Network Entry Provisions (Pipeline Entry Provisions) under this agreement. This requirement is enabled in the UNC through the UNC TPD document and by replicating this document for the purposes of the IGT UNC, it should thus be enabled in the IGT UNC following implementation.

The Workgroup queried how the biomethane operator is obligated to put in the metering equipment to capture these readings, as the obligations previously mentioned would be on the IGT. The proposer responded that these obligations would be captured as part of the Tripartite Network Entry Agreement between the GDN, the IGT and the biomethane operator. A question was asked if there is an obligation in the modification for the IGT to pass these readings onto the GDN, or if it is captured within the Tripartite Network Entry Agreement. The proposer confirmed that it is to be captured in the Tripartite Network Entry Agreement.

A question was asked if the obligations to install the meter reading equipment in the first place is also captured under this Network Entry Agreement. It was confirmed that this is captured under the Network Connections Agreement. This will be the first agreement signed by the Biomethane Operator, where they will be obligated to build a Network Entry Facility to the required specifications. Once the site is commissioned, this Network Connections Agreement is essentially replaced by the Network Entry Agreement.

An IGT queried the impact of this modification on the relationship between the IGTs and shippers, and the lack of activity with shippers for IGT172, also if the shipper would know where the gas is coming in from. It was confirmed that a brand-new entry point will be created by National Gas on the Gemini System, and the shipper who is contracted to purchase the gas from the Biomethane Operator will be registered at this entry point. The entry point would be associated with the Local Distribution Zone (LDZ). On Gemini, the logical meter number would act as unique reference number and would relate to a physical place.

A question was raised about how an IGT would know they have an Anaerobic Digestion (AD) plant connected to their systems. The proposer responded that the default position is that there would not be an AD connection on an IGT network unless it was proposed to them and they enter into an agreement to build the entry facility i.e. a connection offer to the proposed connecting party. The hardware would then have to be built and a Pipeline Entry Agreement (Tripartite NEA) created between the AD plant and the IGT. In relation to whether an IGT would be able to know for their systems if there was an AD plant and entry point onto their network, the proposer stated that adding an entry point would take a long time to construct and require the involvement of IGT personnel, and when these works were advanced, National Gas would be contacted to set up the Gemini logical meter for the entry point. The sheer amount of work

and number of different groups/organisations to make it happen would mean any impacted party would know what is happening as they are involved in the construction or setup of this entry point.

There is no proposed gas entry transportation product in the Modification IGT172 contractual relationship for entry gas transportation between an IGT and a shipper at entry point, so there would be no reason for the IGT to bill the shipper. The key 'day to day business' interest for the IGTs is in the Network Entry Agreement with the Biomethane Operator, which obligates the Biomethane Operator to contract a Shipper. The Biomethane Operator will then inform the IGT that there is a contract in place with a Shipper.

As this Shipper would be responsible for the flow of gas on the IGT's network, then there is a relationship between the IGT and the Shipper, and potentially the IGT would have no way of recording or recognising this shipper, although the IGT could bill the Shipper for using part of their network. It was queried whether these potential transportation charges, where applicable, should be in accordance with any Tripartite Agreement and should be added within the IGT UNC. An exemption in respect to charging would not be needed but if an IGT did want to charge, a new charging statement would need to be approved by Ofgem. The proposer added that IGTs could look at the charging statements used currently by GDNs and incorporate similar arrangements into their own statements, to be subject to their being approved by Ofgem. It was added that for the GDNs, all charges are all 100% chargeable to the connectee. In the new Section Q of the IGT UNC, in respect of an entry point, a delivering Pipeline User will pay the relevant transportation charges if any as set out in the transportation statement. They also added that this mechanism should mean that code modifications are not needed to introduce new charges, instead the process would be through charging statements under LC4A.

An IGT network is not a typical network with other consumers on it, it is just facilitating the entry of gas onto the GDNs' network. The IGTs could either add transportation charges for this facility or offset the costs by instead agreeing a one-off charge with the Biomethane operator. In the event of the latter, transportation charges could be added on for the shipper registered at this new entry point if the IGT was incurring costs.

An IGT queried in the event of a new entry point in a network, with a couple of properties set up on the network, would MPRNs be allocated to these properties and if the shipper would be registered against these properties as they came onto the network. The proposer confirmed both questions, they added that it would not be identified that the properties were on a pipeline laid specifically for bio methane plants, and this pipeline would have been adopted under the GDN network. Exit charges would apply for these properties as normal.

For Section Q, 2.2 – Amendment of Pipeline Entry Provisions, a question was raised as to if any amendments happen often. The Proposer of UNC Modification 0842 confirmed this and added that usually the only amendments made are if the biomethane operator wants to change the amount of gas being entered into the system.

For Section Q, 3.3 – Compliance with Gas Entry Provisions, a question was raised as to if the closing down of an AD plant would lead to a gas shortage anywhere. The Proposer of UNC Modification 0842 responded that there would not be a shortage. For any non-complaint gas, it would be very easy for the GDN to shut off this gas coming onto their network.

Workgroup Discussions (March 2024)

An additional meeting was held on 5th March 2024 in relation to the legal drafting to enable the Workgroup to give the legal text proper consideration and reduce risk. The legal drafting review was

completed to the satisfaction of the parties during this meeting. The minutes for this meeting can be found [here](#).

The Workgroup believe that the Modification has been sufficiently developed.

Ofgem have confirmed that their plans to consolidate the IGT UNC and the UNC. This Modification is largely based on the processes and legal drafting of entry provisions within the UNC and the Workgroup believe that maintaining this uniformity will be beneficial to the consolidation of the codes.

6 Impacts & Other Considerations

Does this modification impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

There is no identified impact on Significant Code Reviews or other significant industry change projects.

Consumer Impacts

What is the current consumer experience?

The number of gas producers and sources of gas is limited today by their only being one option for connection to the Total System – the LDZ entry service.

There are consumers that wish to buy green gas and the market has products for green gas, but production is not large scale for a number of reasons including the cost of getting the gas to grid. Such producers currently only have the option of connecting to the large transporters network. Having an alternative should have the potential for lower costs and a better service, which should translate into greater availability and lower costs for consumers.

What would the new consumer experience be?

This modification will result in increased injection to the grid of bio-methane which helps towards Net Zero targets.

Impact of the change on Consumer Benefit Areas	
Area	Identified Impact
<p style="color: #0070C0;">Improved safety and reliability</p> <p>No Change as the new sources of gas would not materially improve the security of supply.</p>	None
<p>Lower bills than would otherwise be the case</p> <p>No change as the additional sources of gas would not be material in volume.</p>	None
<p style="color: #0070C0;">Reduced environmental damage</p> <p>A growing number of bio-methane producers want to inject green gas onto the Total System, this modification allows this to take place and will expand this market which will have a positive impact on Greenhouse Gas Emissions by</p>	Positive

allowing Pipeline Operators to provide this facility. Green gas is considered to be carbon neutral.	
<p>Improved quality of service</p> <p>No change identified.</p>	None
<p>Benefits for society as a whole</p> <p>By facilitating the building of additional Bio-Methane plants there will be additional jobs and general economic activity for UK Plc.</p>	Positive

Cross-Code Impacts

Detailed legal analysis in relation to the drafting of legal text for UNC Modification 0842, which is in the final stages of work group development, identified that mirrored arrangements are required in the IGT-UNC; This modification proposal aims to provide these. There are no central system impacts and the current systems can continue to be utilised.

UNC	<input checked="" type="checkbox"/>
REC	<input type="checkbox"/>
Other	<input type="checkbox"/>
None	<input type="checkbox"/>

Environmental Impacts

Biomethane is generally produced with a flat profile as it is made from a 24/7 biological process. The producers cannot flare biogas other than for safety reasons and so they need the gas grid to have capacity for 100% of the time. There are good sources of feedstock that may not be near the existing gas grid but are suitable for AD but need a connection pipeline, typically at LTS pressure which is high capex. This modification would allow such projects to use an IGT Pipeline and will expand this market which will have a positive impact on Greenhouse Gas Emissions by allowing Pipeline Operators to provide this facility.

Workgroup Discussions (December 2023)

Consumer Impacts

The Workgroup were informed that any change to the UNC and IGT UNC which would help inject more Biomethane into the network could increase security of supply and that there was potential to change “Improved Safety and Reliability” to Positive from None under Consumer Benefits of the modification.

The Workgroup agreed with this assessment and added that “No change” assessment may change as the additional sources of gas would not be material in volume initially but could eventually change based on the current energy landscape.

A question was raised as to whether the new gas from the AD plant would be traded in the same way as traditional gas. The Proposer confirmed that it was and added that this was a step in reinforcing the energy independence of the UK.

System Impacts

The CDSP informed the Workgroup that an impact report was submitted to demonstrate that there are no impacts to the CDSP resulting from the Modification UNC0842.

Workgroup Discussions (March 2024)

The Workgroup agree that this Modification does not impact a SCR. The Workgroup are supportive of the Proposer’s suggestions within Consumer Impacts.

The Workgroup were in agreement and had no further comments in relation to the Environmental Impacts.

7 Relevant Objectives

Impact of the modification on the Relevant Objectives:	
Relevant Objective	Identified impact
(A) Efficient and economic operation of the pipe-line system	Positive
(B) Co-ordinated, efficient, and economic operation of (i) the combined pipe-line system; and/or (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: (i) between relevant shippers; (ii) between relevant suppliers; and/or (iii) between DN operators (who have entered into transportation agreements 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 Cooperation of Energy Regulators	None

A): - The proposed new IGT network entry service will enable more connections of low carbon footprint biomethane, and the increased competition in routes for such green 'gas to grid', together with increased diversity in supply, will enhance the economic and efficient operation of the pipeline.

(B): - By enabling a new IGT network entry service that is based on and dovetails with the established UNC equivalent, this Mod provides consistency throughout both the UNC and the IGT UNC.

Workgroup Discussions (March 2024)

The Workgroup are in agreement with the Proposer's views on the positive impacts on relevant objectives (A) and (B) and had no further comments.

8 Implementation

As this Modification proposal will marry to UNC Mod 0842, implementation should be at the same time, ideally as soon as possible after an Authority Decision, as the service cannot work if either modification is not approved.

There is at least one Pipeline Operator / prospective Pipeline Operator keen to provide this service, with several potential Pipeline Delivery Facility Operators (mainly biomethane) with projects which would be economic if they could inject into existing IGT networks.

This Mod should therefore be implemented as soon as possible (supported by optional participation) and the arrangements outside code to support introduced similarly.

Workgroup Discussions (December 2023)

The Workgroup recognised that it was essential that UNC and IGT UNC Modifications be implemented at the same time. They noted that the service proposed in both individual Modifications cannot go ahead if one of the Modifications is not approved.

Workgroup Discussions (March 2024)

The Workgroup do not believe that an implementation lead time is necessary due to the optionality for participation.

9 Legal Text

Text Commentary

The Legal Text can be found on the IGT172 page of the IGT UNC website [here](#).

Workgroup Discussions (5th March 2024)

An additional meeting was held on 5th March 2024 in relation to the legal drafting to enable the Workgroup to give the legal text proper consideration and reduce risk. The Workgroup confirmed that that they are now comfortable with the legal text. The minutes for this meeting can be found [here](#).

Workgroup Discussions (March 2024)

The Workgroup had no further comments in relation to the legal text.

10 Recommendations

Workgroup’s Recommendation to Panel

The Workgroup recommends to Panel that:

- This modification should proceed to consultation.

Workgroup Discussions (March 2024)

The Workgroup believe that the Modification and legal text has been sufficiently developed and are comfortable to recommend a three-week consultation.