

Modification		At what stage is this document in the process?
CSL01: Exclusion of Standalone Networks from IGT UNC		01Modification 02Workgroup Report 03Draft Modification Report 04Final Modification Report
Purpose of Modification: The IGT UNC rules are do not work well for networks with no connection to the GB gas grid, and this proposal excludes them from the IGT UNC.		
	The Proposer recommends that this Modification should: • proceed to Workgroup.	
Impacted Parties and Codes		
	High Impact: Developers, owners, operators and customers of standalone networks	
	Medium Impact: None	
	Low Impact: All IGT UNC Users	

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Timetable		 IGTUNC@talan.com  02070901044 Proposer: Tim Davis  tim.davis@cngservices.co.uk  +44 7768456604
The Proposer recommends the following timetable:		
Initial Panel Consideration	23 rd January 2026	
Initial Consideration by Workgroup	12 th February 2026	
Workgroup Report presented to Panel	27 th February 2026	
Draft Modification Report issued for consultation	2 nd March 2026	
Consultation Close-out for representations	23 rd March 2026	
Final Modification Report available	17 th April 2026	
Modification Panel decision	24 th April 2026	
Final Modification Report issued to Authority	27 th April 2026	

1 Summary

What

In the absence of change, rules designed for complex networks would be applied to pipelines with no connection to the main grid (standalone networks).

Why

CNG Services Limited (CSL) is developing a number of standalone networks (e.g. IGT pipelines with no connection to any other network). By default, the CSL Network Code provides for the IGT UNC to apply to all CSL operated pipelines. This is not appropriate for a standalone network.

How

Amending Schedule 1 of the CSL Network Code to exclude the provisions of the IGT UNC applying to standalone networks.

2 Governance

Justification for Authority Direction Procedures

In principle, this Modification satisfies the Self-Governance Criteria, with only a handful of stakeholders impacted. However, since these sites would be removed from IGT UNC governance, we would suggest that Authority Direction is appropriate.

Requested Next Steps

This Modification should:

- proceed to Workgroup.

3 Why Change?

CSL is developing standalone pipelines that do not take gas from the main gas grid. To date, all biomethane in Great Britain (GB) has been injected to part of the GB gas grid, be that the National Transmission System (NTS), a Gas Distribution Network (GDN) or an IGT pipeline.

A simple example of a standalone network is when biomethane from an Anaerobic Digestion (AD) plant is delivered to a nearby consumer through a dedicated pipeline. A more complex example could involve multiple AD plants and multiple customers using the biomethane that is injected to the pipeline.

In the absence of this modification, the IGT UNC, and hence UNC, provisions would apply to standalone networks. This would be problematic as the existing provisions were not designed with standalone networks in mind. For example:

- The limited source of gas means that a firm supply could not be offered. Indeed, the AD plant would be looking for a firm offtake as the aim would be for all the biomethane produced to be used in real time in order to avoid flaring if pressures were to build through a lack of demand;
- For standalone networks with multiple offtakes, a form of rationing is expected to be required. This would allocate the physically available biomethane between customers to avoid all being

used by the first customer that the gas reaches, leaving none for customers at the end of a pipeline.

It is inevitable that imbalances will be recorded on standalone networks, for example because two meters will not record the same amount of energy, and the amount consumed may be different to the amount allocated to the sites in accordance with the Code. We believe it is inappropriate for there to be any impact on any party not involved with a standalone network, which would be the case if the standard Code provisions were to apply. Avoiding these wider impacts is, therefore, a benefit of excluding standalone networks from the IGT UNC.

This Modification seeks to keep standalone networks outside the code such that location specific transportation arrangements can be put in place that recognise the particular circumstances of each case. These arrangements would necessarily have to take in to account statutory obligations. For example, the Gas Safety (Management) Regulations would apply and Safety Cases would need to be in place. As envisaged in the Gas Act, Gas Shippers and Suppliers would also need to be engaged by customers, with customers free to choose their preferred Shipper/Supplier through competitive processes as they see fit.

It is proposed to recognise the unique circumstances of standalone networks by amending the CSL Network Code. Condition 4E of CSL's Gas Transporter Licence provides that "Except in a case in which the Authority accepts otherwise, the licensee shall only enter into transportation arrangements which are in conformity with any relevant provisions of the Network Code." Rather than modify the CSL Network Code, an alternative implementation route may be for Ofgem to "accept otherwise" and agree that standalone networks should be subject only to the CSL Network Code and not the IGT UNC, and hence UNC. While this is possible, and CSL would not object to this, it is not within our gift to propose this and our preference is for change to be promoted by industry participants, consistent with the preference for Self-Governance.

4 Code Specific Matters

Technical Skillsets

Balancing knowledge.

Reference Documents

IGT UNC, UNC

5 Solution

The CSL Network Code provides that the IGT UNC provisions are incorporated except:

“Schedule 1 to this document and its Appendix set out provisions:

- a) which are to be applied in addition to those set out in the IGT UNC;
- b) of the IGT UNC which are to be disapplied;
- c) of the IGT UNC which are to be modified;
- d) of the IGT UNC which are further detailed or explained.
- e) of the IGT UNC which are to be delayed in their implementation”

It is proposed to modify Schedule 1 in line with b) above, by providing that the whole of the IGT UNC is disapplied in the case of a standalone network.

6 Impacts & Other Considerations

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

No

Consumer Impacts

What is the current consumer experience?

As no standalone IGT networks exist, there is no existing consumer experience

What would the new consumer experience be?

Implementation would allow a small number of consumers to be supplied through a standalone network, giving them access to the most economic and efficient solution in their particular circumstances, supporting efforts to achieve net zero through increased biomethane production displacing the use of fossil fuels.

Impact of the change on Consumer Benefit Areas	
Area	Identified Impact
Improved safety and reliability	None
Lower bills than would otherwise be the case No impact on existing gas consumers but potential for reduced bills for customers connected to standalone networks in future	Positive/None
Reduced environmental damage Additional biomethane production reduces environmental damage	Positive
Improved quality of service	None
Benefits for society as a whole Benefits through progress towards net zero	Positive

Cross-Code Impacts

None

Environmental Impacts

Standalone networks will support increased biomethane production, supporting net zero by displacing fossil fuel usage

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	None
(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	None
(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	Positive

shippers	
(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	Positive
(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

Disapplying the IGT UNC from standalone networks avoids the costs of modifying the Code to accommodate standalone networks. By ensuring all costs are retained within the standalone network, meaning there can be no impact on users of the wider GB gas grid, costs are appropriately targeted. Minimising costs and targeting them to the appropriate parties is consistent with promoting competition and efficiently implementing the Code.

8 Implementation

With no systems or process changes required, implementation can be immediate once the proposal is accepted.

9 Legal Text

Add new paragraph 3 to Schedule 1 of the CSL Network Code as follows:

“For any standalone network (Pipeline(s) that are not associated with a Connected System Exit Point, as defined in the Uniform Network Code, since they are not supplied with gas via an IGT Pipeline nor GT Network), the whole of the IGT UNC is to be disapplied. For the avoidance of doubt, all statutory obligations will apply to these networks and the arrangements put in place for each standalone network will necessarily reflect this.”

10 Recommendations

Proposer's Recommendation

It is proposed to:

- Issue this Modification to Workgroup.