

Consultation Response

CSL01: Exclusion of Standalone Networks from IGT UNC

Responses invited by: 19 May 2026

Respondent Details

Name: Tim Davis

Organisation: CNG Services

Support Implementation

X

Qualified Support

☐

Neutral

☐

Do Not Support

☐

Please briefly summarise the key reason(s) for your support / opposition

CNG Services (CSL) has identified a number of instances where the most economic and efficient approach for new gas supplies is to transport gas through a standalone network. A simple case is where an AD plant is developed on an industrial site to provide biomethane directly to a factory via a short pipeline. A more complex example would be Islay, off the coast of Scotland, where one or more AD plants may be developed to supply biomethane to one or more whisky distilleries. The existing industry codes simply do not work for these standalone networks that have no access to gas from the wider network. Since bespoke transportation arrangements are required, reflecting the specific circumstances of each standalone network, providing for these networks to be outside the IGT UNC is a pragmatic and logical approach.

The innovative approach of gas supply to a standalone network can support the development of additional local gas network infrastructure whilst promoting the principle of using local solutions to assist in decarbonising traditionally hard-to-abate industrial sectors, in line with Ofgem's SIF challenges.

Self-Governance Statement

Do you agree with the Modification Panel's determination with respect to whether or not this should be a self-governance modification?

Yes

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Please state any new or additional issues that you believe should be considered

None

Relevant Objectives

How would implementation of this modification impact the relevant objectives?

A standalone network relies solely on gas that is injected to that network – there is no supply from the GB gas grid. Fundamental assumptions that underpin industry codes do not apply to these networks. For example, offtakes would not be able to take as much firm gas as they require but would be restricted by the amount of gas being produced and injected to the network – inelastic supply. With multiple offtakes, rules would be required to ensure a fair allocation of the available gas between potential offtakes – rationing. Given this, applying the IGT UNC to standalone networks is inappropriate. Substantial portions of the existing codes would need to be modified to reflect the realities of how a standalone network is operated. To modify the industry codes to accommodate all envisaged configurations of standalone networks would be a large and disproportionate task. Avoiding this disproportionate cost and use of industry resources is consistent with promotion of efficiency in the implementation and administration of the Code, Objective F.

Implementation would have a marginal positive impact on Objective D, the securing of effective competition between Shippers and Suppliers. A number of cases have been identified where a standalone network may be developed and result in an increase in the supply of gas within GB. Increasing supply is consistent with securing effective competition. In addition, effective competition is secured by ensuring costs are targeted to those who cause costs to arise. Managing standalone networks outside the Code ensures any costs remain within that standalone network, targeted on those who should bear the costs – consistent with promoting Objective D.

Impacts and Costs

What development and ongoing costs would you face if this modification was implemented?

We will need to develop bespoke transportation arrangements for each standalone network that we develop, the costs of which will be a small part of the broader project cost.

Implementation

What lead time would you wish to see prior to this modification being implemented, and why?

No lead time is required. Implementation by September 2026 is requested since a standalone network is being developed with a view to gas flow starting in autumn 2026.

Legal Text

Are you satisfied that the legal text will deliver the intent of the modification?

Yes

Further Comments

Is there anything further you wish to be taken into account?

Responses should be submitted by email to IGTUNC@talan.com