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# Gas System Operations COVID-19 Response second Webinar

WebEx

21 April 2020

11.00am – 12.00pm

Please ask any questions throughout the session  
using [www.sli.do](http://www.sli.do) (meeting code: #GasOps20)

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# **Introduction & Agenda**

**Joshua Bates**

Operational Liaison & Business  
Delivery Manager

**nationalgrid**



# Presenters

## National Grid

Joshua Bates – Operational Liaison & Business Delivery Manager

Martin Cahill – Operational Liaison Lead

Craig James – Physical Operations Manager

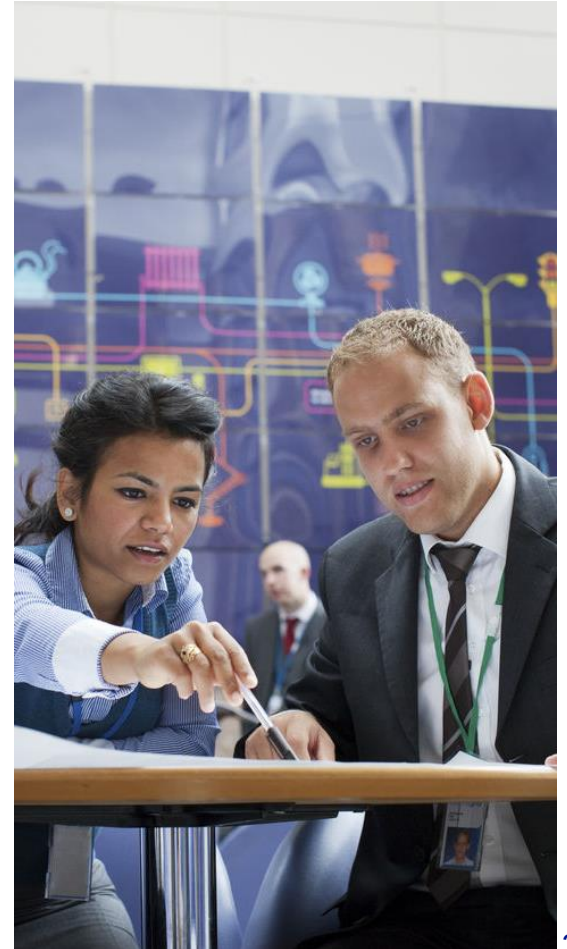
Michael Brennan – Senior Access Planning Engineer

Phil Hobbins – Commercial Codes Change Manager

Karen Healy - Gas Network Strategy Analyst

**This slide pack will be uploaded onto the collaboration site and National Grid website after the meeting.**

<https://datacommunity.nationalgridgas.com/>



# Agenda for Today

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**01** Industry Engagement

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**02** Operational Update

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**03** Demand Update

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**04** Focus Area: Milford Haven

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**05** Summer Outlook

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**06** Maintenance

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**07** Market Change Update

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**08** RIIO Update

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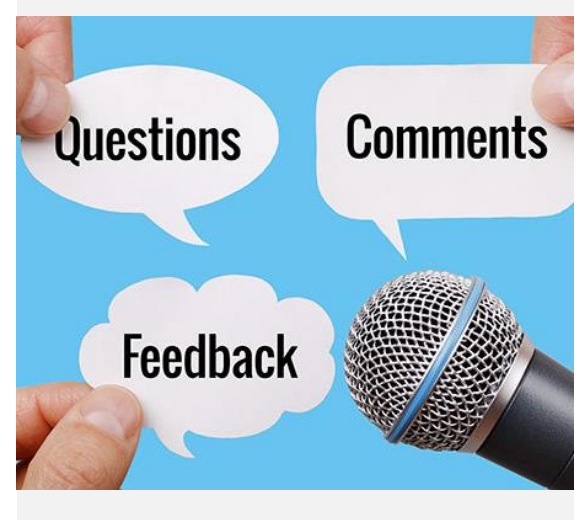
**Please ask any questions  
using on sli.do (meeting  
code: #GasOps20)**

**These will be covered at the  
end**

# Housekeeping for WebEx Forums

## During our WebEx events;

- Attendees will be automatically muted on dial in, please ensure your cameras are off too.
- Please ask any questions throughout the session using [www.sli.do](http://www.sli.do) (meeting code: #GasOps20) and up rate other questions if you would like them answered. We will cover any questions at the end of the presentation.
- For both presenting and answering questions we will endeavour to state our name and position in National Grid before speaking.



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# **Industry Engagement**

**Joshua Bates**

Operational Liaison & Business  
Delivery Manager

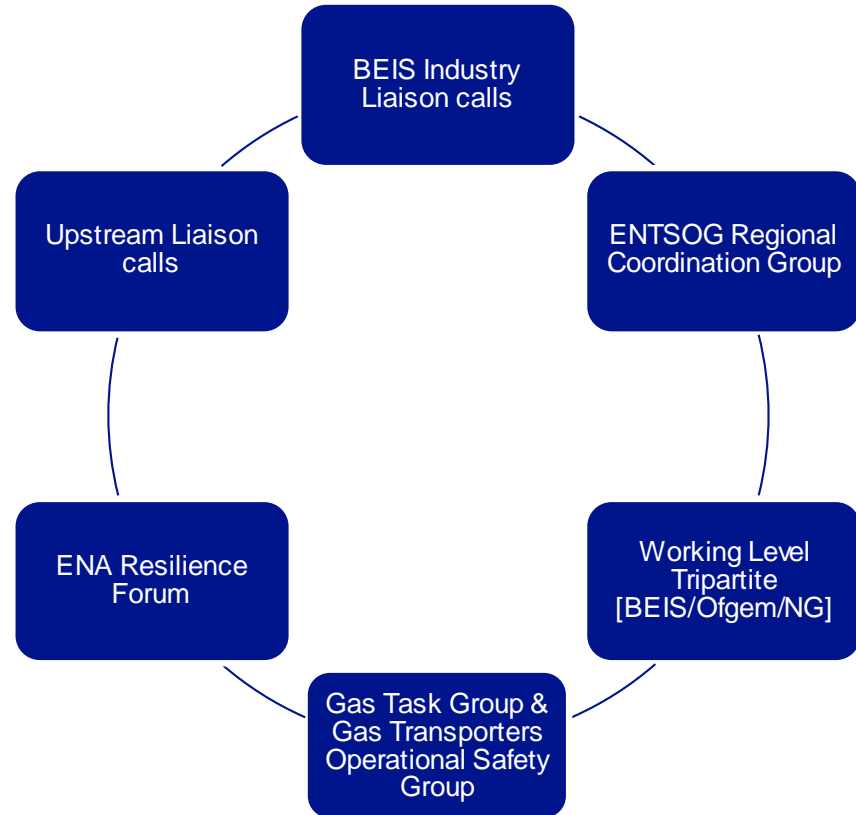
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# COVID-19 Industry Forums

Several industry forums have either been established, or are holding a cadence of exceptional meetings, to focus on the response to COVID-19

If you are not currently involved in any industry engagement and would like to be, please email [Box.OperationalLiaison@nationalgrid.com](mailto:Box.OperationalLiaison@nationalgrid.com) and we will put you in touch with the host.



# Calendar year 2020 Ops forums

*All forums will be held via WebEx until further notice*

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Lon	Lon	Lon	X	War	Lon	X	X	Lon	Lon	War	X
23/01	20/02	19/03		14/05	18/06			17/09	22/10	19/11	

## Location:

Amba Hotel  
Strand  
Charing Cross  
London  
WC2N 5HX

**Registration is open for all 2020 events at:**

<https://www.nationalgridgas.com/data-and-operations/operational-forum>

**For the May forum please register at:**

<https://www.eventbrite.co.uk/e/gas-operational-forum-may-2020-tickets-85098334409>



# How to contact us

## Operational Liaison Team

Joshua Bates: [Joshua.Bates@nationalgrid.com](mailto:Joshua.Bates@nationalgrid.com)

Martin Cahill: [Martin.Cahill@nationalgrid.com](mailto:Martin.Cahill@nationalgrid.com)

Operational Liaison Email:

[Box.OperationalLiaison@nationalgrid.com](mailto:Box.OperationalLiaison@nationalgrid.com)

For updates and interaction with National Grid please visit;  
<https://datacommunity.nationalgridgas.com/>

For the National Grid Gas Website, please visit;  
<https://www.nationalgridgas.com/about-us>



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# Operational Update

**Martin Cahill**  
Operational Liaison Lead

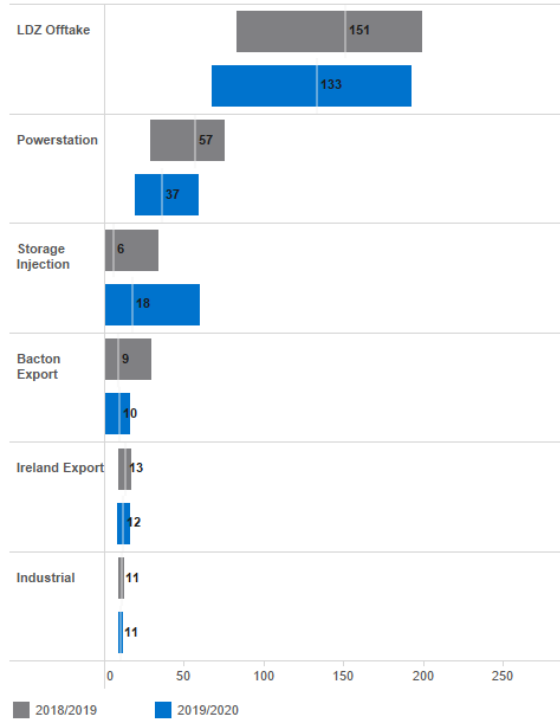
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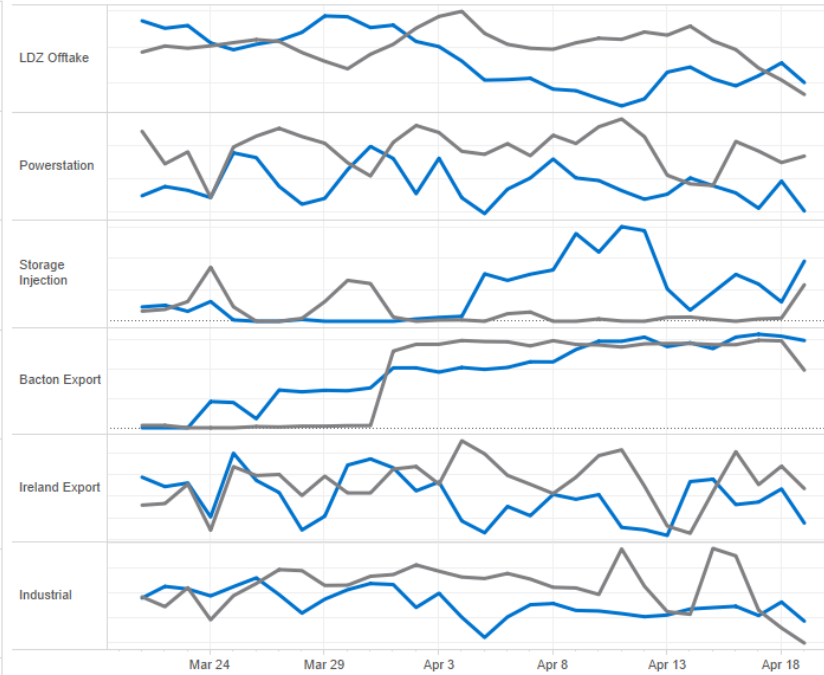
# Demand

(mcm/d)

Average Daily Volume and Range (4 weeks)



Trend Vs Previous Year (last 4 weeks)



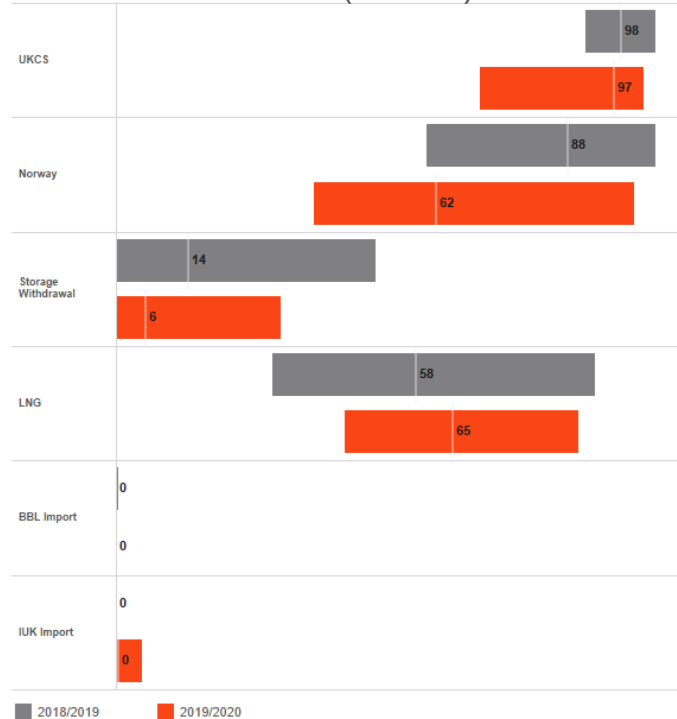
LDZ Offtake has on average been lower (warm weather and post lockdown load reduction)

PS Demand reduced on average

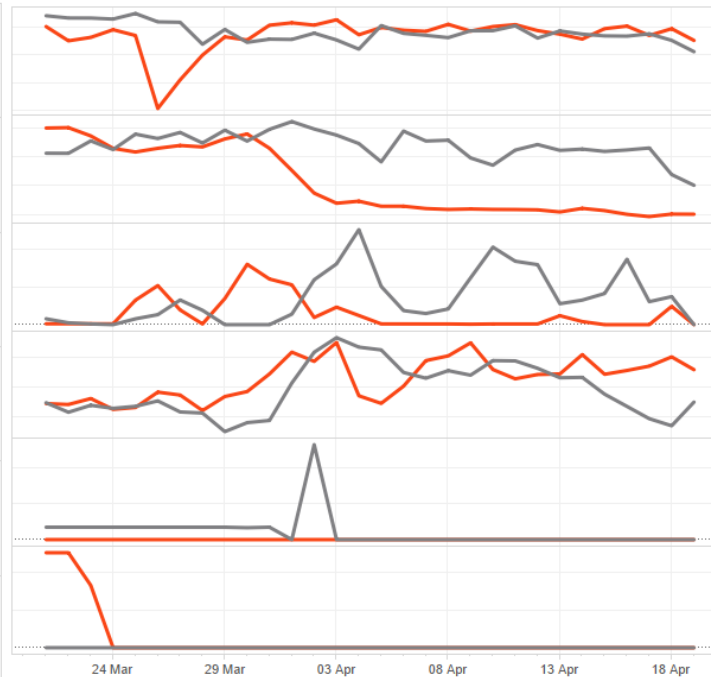
Supply excess has triggered large injection volumes and Interconnector exports

# Supply

Average Daily Volume and Range (4 weeks) (mcm/d)



Trend Vs Previous Year (4 weeks)



UKCS Volumes have remained stable – cancellation of offshore maintenance increases stability

Norway supplies have remained significantly lower than last year

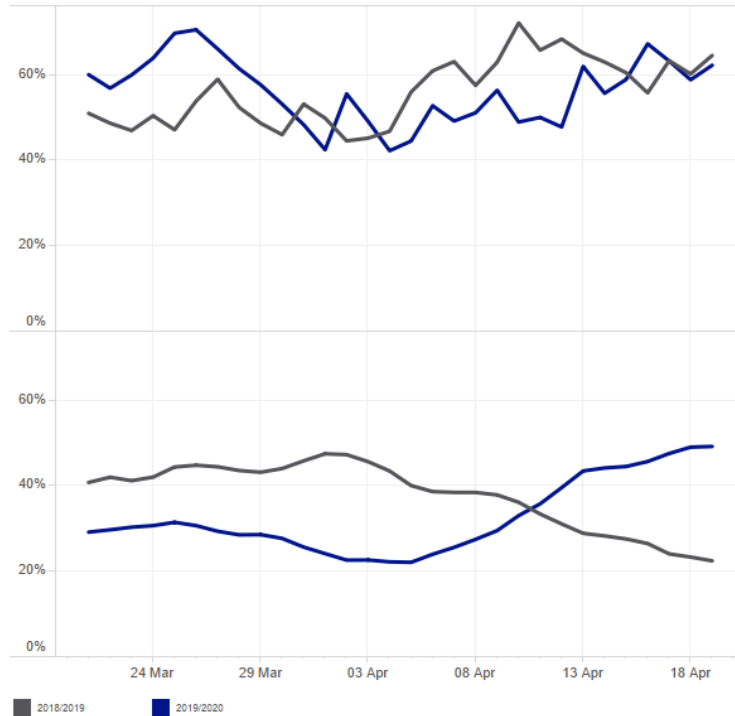
LNG remained very high

# Storage & LNG Stocks

Storage and LNG Stocks



Trend Vs Previous Year (4 weeks)



# Forecasting – Modelling Supply & Demand during Pandemic

1. **Level of Supply Available (Offshore Outages)**
2. **Storage**
3. **Weather – including non-temperature factors**
4. **European Markets (Interconnectors)**
5. **Electricity Generation**
6. **COVID-19 (Average reductions vs CWV Normal Model)**

D-2 to D-5

- All intel available used for modelling

D-1

- All intel available used for modelling

NTS Hourly

- Updated based on notifications (auto) and LDZ Forecasts

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# **Demand Update**

**Craig James**  
Physical Operations Manager

**nationalgrid**



# Recent Demand

Demand over the last week has been warmer than seasonal norm



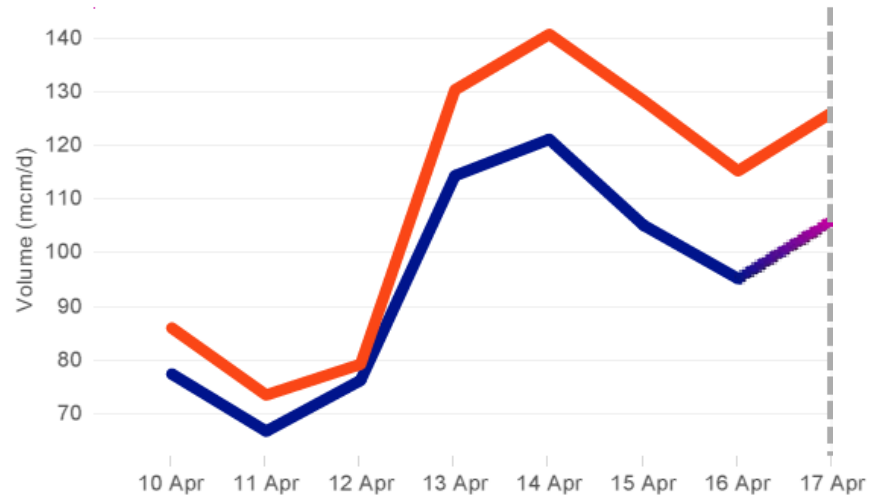
**Lower Demand during warmer weather has increased relative impact of Industrial reductions**

**Bank Holiday weekend demand close to expected**

**Recent difference between Demand and seasonal norm has ranged from -3.8% to 18.1%**

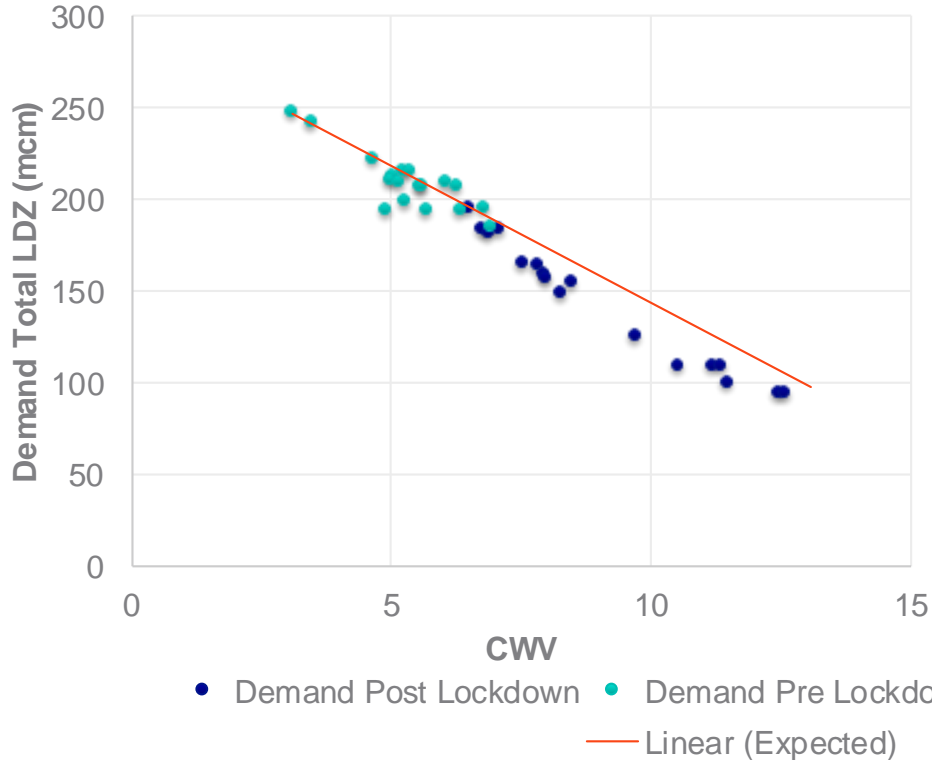
## LDZ Actual

## LDZ Normalised (Based on CWV Model)





# CWV vs Demand

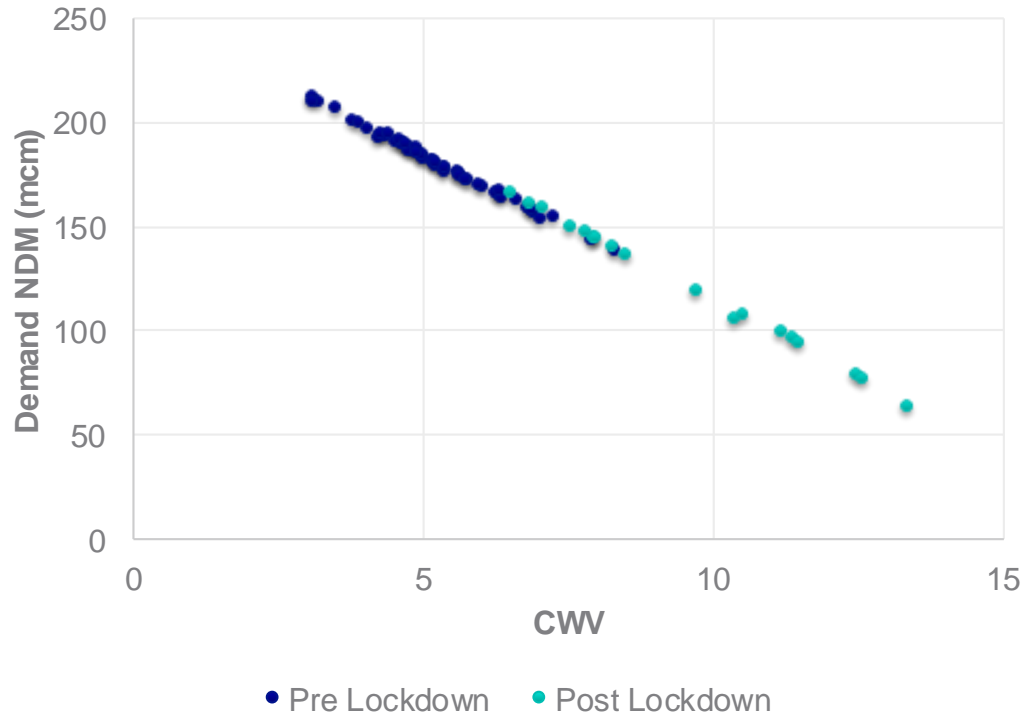


Following restrictions in the UK, Gas Demand vs CWV has dropped below expected gradient

This includes NDM (Non Daily Metered) and DM (Daily Metered) Demand

Load Band	Therms per Year	
NDM < 73MWh	< 2500	Single House
NDM 73-732Mwh	2500 – 25000	Large Block of flats or commercial premises
NDM > 732Mwh	> 25000	Medium sized Industrial premises
DM		Large Industrial Premises/ Power Stations

# Non Daily Metered Demand (NDM)

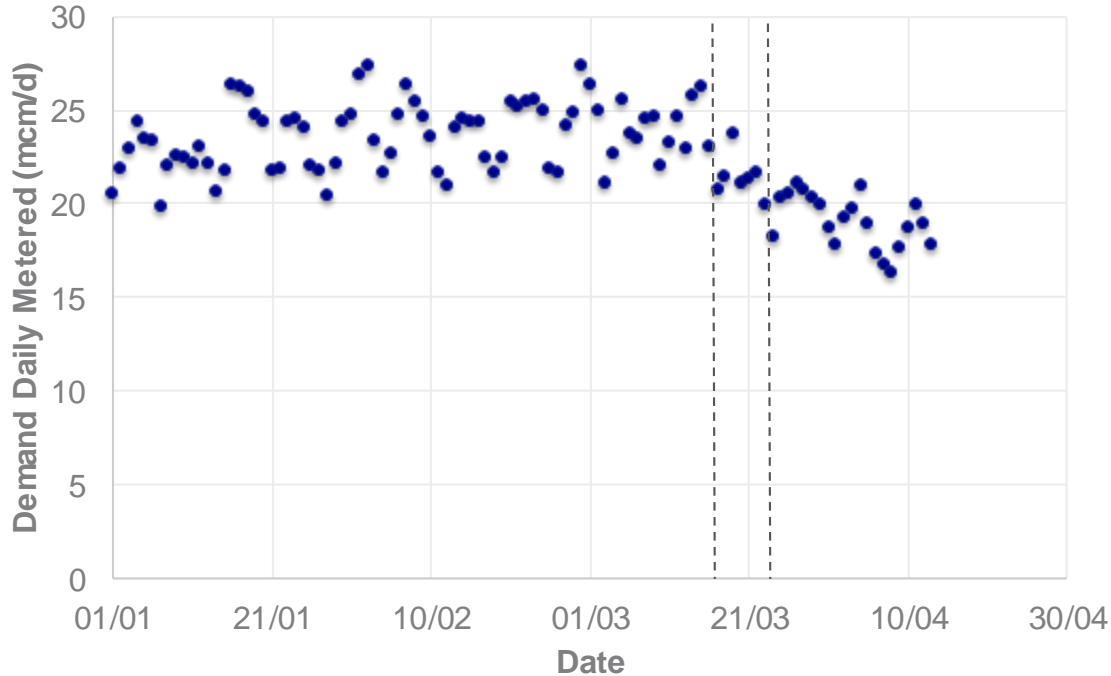


**Small increase in NDM Demand vs CWV since restrictions, with more people at home**

**NDM will include some smaller industry/commercial connections**

Load Band	Therms per Year	
NDM < 73MWh	< 2500	Single House
NDM 73-732Mwh	2500 – 25000	Large Block of flats or commercial premises
NDM > 732Mwh	> 25000	Medium sized Industrial premises
DM		Large Industrial Premises/ Power Stations

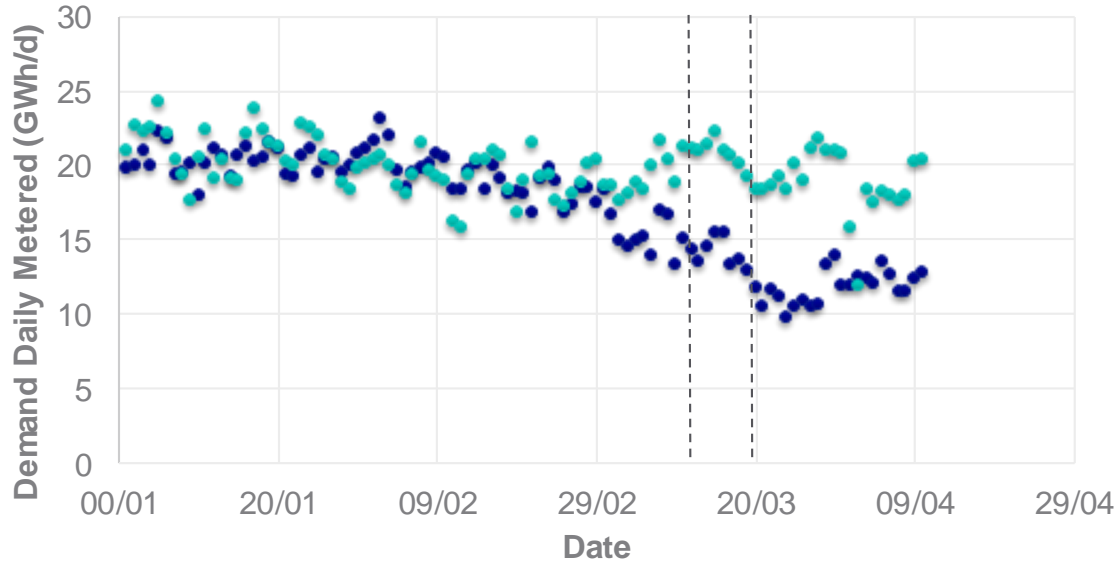
# Daily Metered Demand



**Largest decreases in LDZ Demand have been Daily Metered, with Industry/Power Station connections**

**This type of demand doesn't usually vary as much seasonally as NDM**

# Demand reductions are not consistent across DNs



- Demand, Actual DM, LDZ(EA), D+6
- Demand, Actual DM, LDZ(SO), D+6

Depending on the connections within Distribution Networks, Demand is reacting differently to restrictions

East Anglia DM load has fallen significantly since lockdown, while Southern has remained at similar levels

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# **Focus area: Milford Haven**

**Craig James**  
Physical Operations Manager

**nationalgrid**



# Recent Actions at Milford Haven

- We have scaled back interruptible entry capacity, withheld firm capacity and taken locational sell actions on a number of days in April. These have been based on:
  - Increased flows at Milford Haven to date throughout April
  - Low demands across the network
    - Demand reductions coming into summer
  - Up to circa 40% of demand being met via Milford Haven supplies
  - Short term asset availability issues
- We will provide further details at the May 14th Operational Forum

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# Summer Outlook

**Karen Healy**  
Gas Network Strategy Analyst

national**grid**



# Summer Outlook

The Gas Summer Outlook was published on Thursday 16th April

Key messages:

## **Demand:**

1. The forecasts contained within the publication were compiled before the COVID-19 outbreak. We have provided a qualitative assessment of the potential impact of COVID-19 throughout the publication.
2. We expect demand to be lower than seasonal normal levels due to reductions in business and industrial activity.
3. With more people staying at home as part of COVID-19 controls, we could see an increase in domestic demand; but as temperatures rise this effect could diminish.
4. Any increase in domestic demand would be outweighed by the expected reduction in demand from businesses and industry.
5. Low demand conditions on the NTS increase network resilience.
6. We have the right tools and services available to manage operability.

## **Supply:**

1. The outbreak of COVID-19 is not predicted to affect the security of supply to the UK.
2. Supply is available from multiple diverse sources & we expect there will be sufficient gas supply available to meet energy demands for the coming summer.
3. We envisage LNG supply to be high again this year, similar to the levels we saw in 2019.



# Summer Outlook

If you'd like to be added to the mailing list for Gas Publications, please let us know.

We really value your feedback on our publications; please send any comments you have.

[Box.OperationalLiaison@nationalgrid.com](mailto:Box.OperationalLiaison@nationalgrid.com)

You can find the Gas Summer Outlook 2020 here:

<https://www.nationalgridgas.com/insight-and-innovation/summer-outlook>

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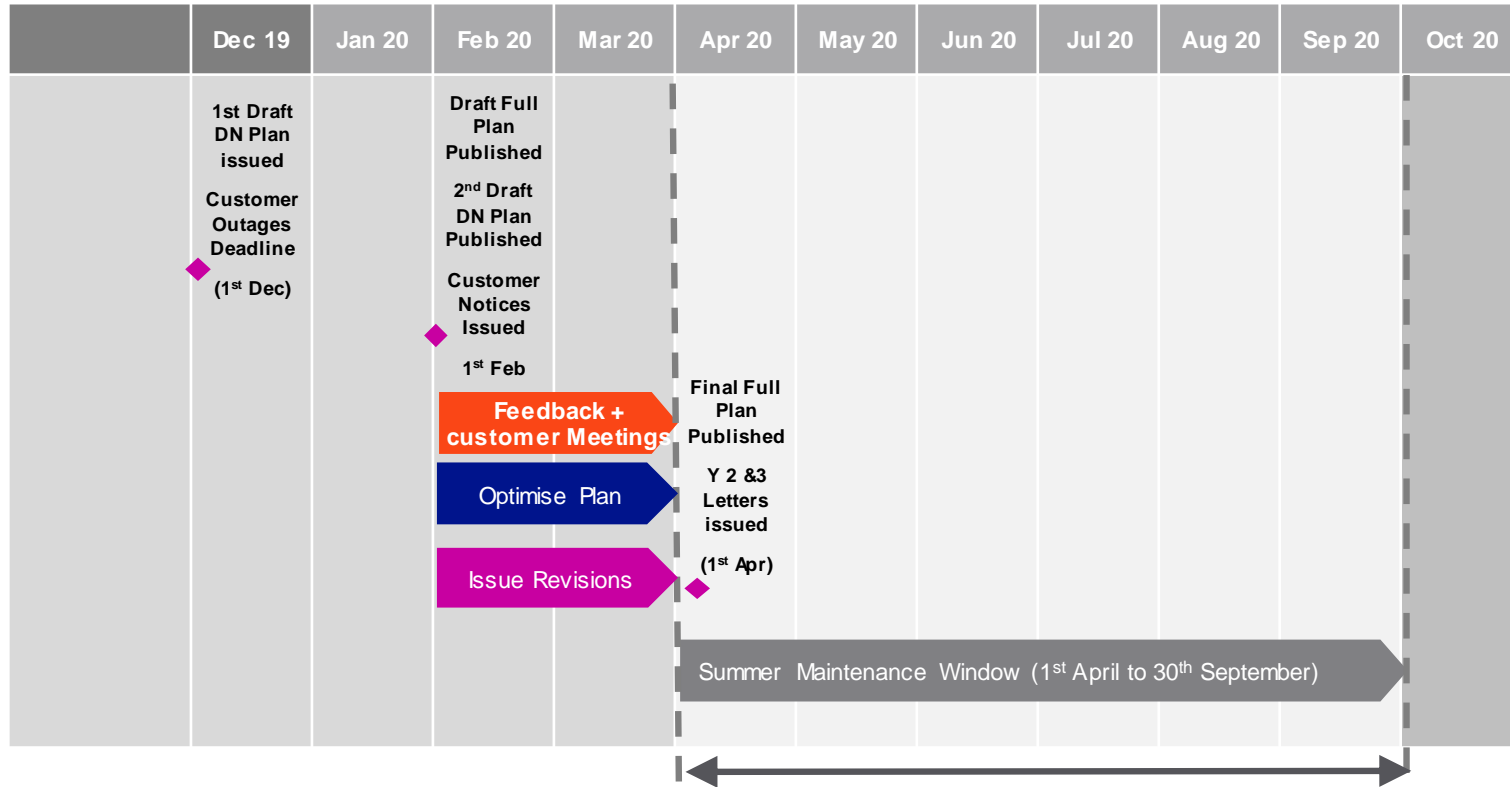
# Maintenance Plan

**Mike Brennan**  
Senior Access Planning Engineer

national**grid**



# Yearly Maintenance Planning Programme



# Current status

## Capital projects:

To date all Capital projects are being progressed to establish appropriate risk assessment and methodology statement (RAMS), establish contractor and supply chain confidence, review customer need and issues, and review outage and operational resource availability.

## Routine Maintenance:

- Key maintenance will continue as planned i.e. ILI runs, Defect Inspections, etc.
- Certain non-critical procedures have been postponed for 2020 to maximise operational resource

# Risks and issues

**Continued liaison with our customers will be critical to manage current risks as the current situation develops:**

- **contactor availability – travel & accommodation logistics**
- **lead time changes**
- **changes to 3<sup>rd</sup> party outages**
- **social distancing requirements**

**Customers will be contacted directly to discuss any changes to planned works and strategies.**

# Access Planning Team

**For specific queries regarding planned maintenance, please contact Access Planning Team directly:**

**[NTSAccessPlanning@nationalgrid.com](mailto:NTSAccessPlanning@nationalgrid.com)**

**Tel: 01926 653 286**

**Find all of our Maintenance Plans online at:**

**<https://www.nationalgrid.com/uk/gas/market-operations-and-data/maintenance>**

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# Market Change Update

**Phil Hobbins**  
Commercial Codes Change  
Manager

**nationalgrid**



# COVID-19 Impacts on Market Change Activities

COVID-19 impacts have generated prioritisation reviews across many sectors of the economy, including energy

- National Grid is planning to defer non-critical maintenance activities until after the pandemic
- Ofgem recently published how it is prioritising its work <https://www.ofgem.gov.uk/publications-and-updates/ofgem-information-energy-licensees-coronavirus-covid-19-response>

The UNC Panel has also discussed whether (and if so, how) UNC changes should be prioritised

At present, all UNC workgroups are continuing to be held with adequate quoracy, albeit by teleconference rather than physically

Prioritisation of UNC mods has therefore not been implemented to date

We will communicate via these COVID webinars if we start to see BaU being affected during this period and the potential for prioritisation to happen



# Gas Charging Review Update

**Ofgem published minded to position on UNC0678 in December 2019, expressing a preference for 0678A and for implementation on 1 October 2020**

- Ofgem Impact Assessment consultation closed on 24 February 2020
- Responses available here: <https://www.ofgem.gov.uk/publications-and-updates/amendments-gas-transmission-charging-regime-minded-decision-and-draft-impact-assessment>
- Ofgem will be “will be setting out the way forward on this in the near future.”  
(<https://www.ofgem.gov.uk/publications-and-updates/ofgem-information-energy-licensees-coronavirus-covid-19-response>)

## **Other charging items:**

- Managing inefficient bypass (Shorthaul) – UNC0718/A/B/C. Urgency request rejected on procedural grounds (subsequently withdrawn). Once Ofgem decide on 0678, this will be reviewed, and the proposals will likely be re-raised under a new number.
- Storage Discount – UNC0717. Urgency also rejected on procedural grounds. Will likely be re-raised once decision on 0678 is made.

# Capacity Access Review Update

- **The Capacity Access Review (CAR) aims to review the principles of the capacity access arrangements, on a holistic basis, to ensure they are aligned to the future needs of our customers and reflect developments on the NTS.**
- **CAR was launched in October 2019 as UNC Request 705R and is being progressed through Transmission Workgroup.**
  - **Currently the main focus areas are:**
    - **Revision of the Overrun Charge Multiplier (UNC Modification 0716/A)**
    - **Assessment of options for levels of entry and exit User Commitment**
    - **Substitution Process**
- **We do not currently expect progress of the CAR to be materially impacted by COVID-19**

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# **RIIO Update**

**Joshua Bates**

Operational Liaison & Business  
Delivery Manager

**nationalgrid**



# RIO Update

## **Ofgem published information on priorities in response to coronavirus (COVID-19).**

RIO-1 (2013-2021) – Ofgem are discussing with stakeholders ways to reduce the regulatory burden, including the annual reporting requirements.

RIO-2 (2021-2026) – the plan remains to publish final determinations by the end of 2020, and for the new controls to begin from 1 April 2021. This includes publishing a consultation on their draft determinations in early July 2020.

Due to social distancing guidelines, the public open hearings scheduled in April are cancelled but as National Grid we are discussing alternate arrangements.

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# Questions & Close

**Joshua Bates**

Operational Liaison & Business  
Delivery Manager

Please ask any questions at  
[www.sli.do](http://www.sli.do)  
#GasOps20 (meeting code)

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