



Modification 0854 / XRN 5695

Revision of Virtual Last Resort User and Contingent
Procurement of Supplier Demand Event Triggers

IGT Impacts

Modification 0854 Background

Modification 0854 Revision of Virtual Last Resort User and Contingent Procurement of Supplier Demand Event Triggers was implemented on the 10th May 2024.

The solution under the associated XRN 5695 applies to all Transporter sites including IGTs.

What does this mean in practice?

- This means that if a UNC User is sanctioned by the UK Government, National Gas Transmission have the right to issue a User Premises Termination Notice to that User.
- The User would then become a Premises Termination User and be unable to trade. Essentially the existing processes that apply to Terminated Users and Discontinuing Users would also apply to Premises Termination Users and the CDSP would receive an instruction from National Gas Transmission to invoke the Deed of Undertaking.
- Unlike a straightforward termination, this is a suspension of a User which could technically be reversed if sanctions were lifted.

IGT UNC Impacts

What does this mean for IGT UNC?

- We understand that the IGTs are planning to raise a modification to clarify that the processes introduced as a result of 0854 apply for IGT Supply Meter Points.
- In the meantime, in the event that a User is sanctioned by the UK Government, the CDSP could receive a User Premises Termination Notice from National Gas Transmission which would prevent the User from being able to trade and lead.
- **In these circumstances the Deed of Undertaking would be invoked on NTS (if applicable) / DN Supply Meter Points.**
- **We expect that this will also be true of IGT sites - the extent to which this needs to be defined in the IGT UNC will be defined from the above IGT UNC Modification .**

What do we need to know from IGT workstream?

- We want to confirm that the CDSP has the IGTs permission to follow the same processes we currently follow for a Terminated User or a Discontinuing User such as invoking the Deed of Undertaking whilst the modification is raised and developed in the IGT UNC.
- Please can IGT workstream confirm whether they are comfortable with this?
- Do we need to refer this to any other IGT forum – e.g. IGT UNC Panel?
- Are there any further processes that can be followed to ensure that this approach is not subject to subsequent challenge – e.g. derogation processes?

Next Steps

- We think that it is important that we get clarity on what is expected of the CDSP in the event that this circumstance arises now, and not when the event occurs.
- We think that application of the Deed of Undertaking is intended to apply in these circumstances and it gives protection to consumers, so is the right thing to do.
- We propose that this approach is shared with parties to make sure the industry as a whole is aware that this is the approach we plan to take whilst the IGT equivalent housekeeping modification for 0854 is in progress in the IGT space. We propose that we share this with:
 - DSC Committees - ChMC and CoMC
 - [IGT UNC Panel] – TBC by IGT Workstream
- This will ensure that we are able to act and invoke the Terminated User/Discontinuing User processes including the Deed of Undertaking for both GT and IGT sites if we are instructed to do so via a User Premises Termination Notice from National Gas Transmission.

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