



PCI 5.1.1-0005-UKIE-S-M-16

Physical reverse flow at Moffat interconnection point (IE/UK)

Project Promotor: Gas Networks Ireland

Feasibility Study update to Code Mod Forum

27th March 2019

PCI 5.1.1 Feasibility Study: Introduction



- PCI 5.1.1 Physical Reverse Flow at Moffat interconnection point (IE/UK) is a Project of Common Interest on the European Commission 3rd list of PCIs
- Objective of the Action:
 - A comprehensive multi-disciplinary study assessing all aspects of the proposed project to facilitate physical reverse flow between Scotland (Moffat) and Ireland.
- CEF funding was awarded to GNI (UK) for feasibility studies in relation to PRF at Moffat
- INEA Grant Agreement was signed on 22nd June 2017
- Action completed in November 2018





PCI 5.1.1: Project Structure (Feasibility Study)

Conceptual **Network Analysis Pipeline Routing & Engineering & Environ. Screening** Modelling Design **Engineering Feasibility** SWSOS Reconfiguration Odorant Strategy Rol onshore Reinforcement Options Subsea Operating Strategy **Financial Viability Analysis (CBA) Economic Viability** Quantitative Qualitative

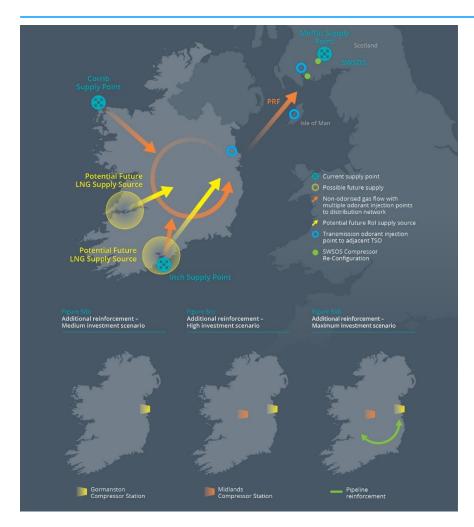
Action Management

Prelim. Stakeholder
Consultation





PCI 5.1.1 Feasibility Study: Outcome

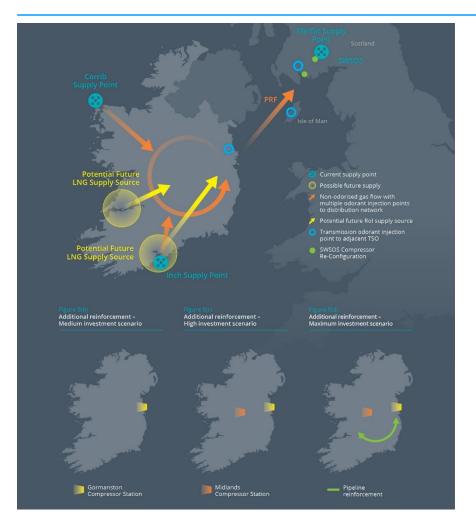


- Objectives of the Action met through implementation and completion of the 6 activities as outlined in the GA
- Key Outcomes:
 - Compressor station requirements and proposed location in Ireland determined
 - The most economically advantageous and technically feasible odorant strategy has been developed
 - Impact on the operation of the Irish and UK (National Grid) transmission networks determined
 - Pipeline routing and options analysis completed, including high-level environmental screening
 - Preliminary stakeholder consultations completed
 - Financial viability of the project has been assessed





PCI 5.1.1 Cost Benefit Analysis



Investment Scenario	Upfront Investment (€ million)	PRF Capacity (GWh/day)	Monetised NPV (€ million)
Minimum	53	95	-102
Medium	119	139	-201
High	230	237	-405
Maximum	484	297	-666

- PRF at the Moffat Interconnection Point is hydraulically and technically viable, with a number of potential design options that could be implemented.
- The CBA indicates that all design solutions are estimated to have a negative monetised NPV based on estimates of the private benefits. The project would therefore not be viable based on private benefits alone.





PCI 5.1.1 Next Steps



- PCI 5.1.1 Physical Reverse Flow at Moffat interconnection point (IE/UK) feasibility is now complete
- Results of the feasibility study will feed into the upcoming Market Consultation for Physical Reverse Flow at Moffat
- GNI will assess the outcome of the market consultation, and progress the project accordingly:
 - The existing investment gap would deem the project unlikely to progress to FEED stage in the near term, subject to industry consultation via the market test
 - GNI will continue to monitor ongoing market dynamics / economics
 - GNI will seek to retain PCI 5.1.1 as a project of common interest
 - Maintaining PCI status will afford the opportunity to apply for CEF funding in the event that future market dynamics and/or economic advances result in the investment gap closing in





Q & A





