



Irish Offshore
Operators'
Association

A078: an update and alternative way forward

Code Modification Forum, 23 November 2016

Code Mod Proposal A078: update and an alternative



- Code Modification Proposal A078 raised by IOOA
 - seeks to bring unutilized entry capacity back to market
 - suggested means of delivery is a reduced overrun charge
- Proposal also makes reference to existing Code provisions
 - designed to give effect to existing measures
 - part C, paragraph 11.3.6: Entry Capacity Overrun Charge
- CER's view
 - in favour of the principle in A078
 - asked GNI and IOOA to consider detailed rules
 - conversations between IOOA and GNI ongoing
 - potential alternative identified

Alternative: Oversell Option



- At present GNI makes 103.87 GWh/d of entry capacity available
 - this matches the agreed export levels between GNI and the Corrib Operator
- An alternative to the mechanism proposed in A078 would be a capacity oversell by GNI
 - matches current situation at the Inch entry point
- How would it work?
 - GNI to sell in excess of 103.87 GWh/d entry capacity
 - no change in the physical amount of gas that could flow onto the network
 - no impact on GNI's operation of the network
- Question: how much to oversell?
 - it could be unlimited
 - IOOA's proposal would be to double the 103.87 figure
 - Corrib producers could evacuate all potentially stranded gas if situation arose

Questions/Issues



- If this approach is in place at other domestic entry points, why not Corrib?
 - any Code reasons?
 - any operational reasons?
- How quickly could this approach be implemented?
 - we believe relatively quickly
- Would this approach require a code modification?
 - we do not think so
 - there is an obligation in the Code for UIOLI at domestic points
 - this idea seeks to extend current an existing approach at other points to Corrib