

Readout: Gas Operations

Day One Requirements: Gas Operations and Gas Procurement

Summary of Day One Requirements		
Sub-Function / Process	Summary of Day One Requirements (Overarching) - <i>The majority of Gas Operations functions, outside of Gas Control and Gas Procurement (including Retail Choice) will be taken over by PPL RI employees on Day 1. The following overarching requirements are necessary to enable the Day 1 transition and effectively operate TSAs.</i>	Targeted Timing
Gas Operations and Gas Procurement – All subfunctions	• Provide user access for business applications required to perform day-to-day business operations for employees conveying on Day 1.	-30d Day 1
	• Maintain continuity of critical network infrastructure support.	-30d Day 1
	• Define the Delegation of Authority structure and hierarchy to support decision-making and approvals.	-30d Day 1
	• Undertake necessary knowledge transfer activities to ensure operational continuity.	-30d Day 1
	• Determine appropriate contract/vendor disposition for all TSAs and day-to-day activities.	-90d Day 1
	• Identification of suitably qualified and sufficient management personnel to fill necessary Day 1 operating model roles.	-60d Day 1
	• Define division of responsibilities and process changes for regulatory filing requirements.	-60d Day 1
	• Define process to provide and manage user access for joiners and leavers during the Transition Period.	Day 1
	• Ensure necessary communication and upskilling of personnel is undertaken for any changes to business applications.	-30d Day 1
	• Add application controls to limit access to PPL data.	-30d Day 1
	• Determine mitigating controls for business applications when application controls are not feasible to limit access to sensitive data.	-60d Day 1
	• Provide user access to business process documentation, document management systems and other supporting reference documents to perform day-to-day business operations.	-30d Day 1
	• Provide finance reports for day-to-day operations, including capital portfolio management, as well as regulatory and compliance tasks.	Day 1
	• Determine mechanism for capturing changes to contracts during period between contract baseline and Day 1.	-90d Day 1
• All field devices that undergo routine maintenance or calibration must have access to supporting database, spreadsheets or system to allow calibration	-30d Day 1	



Day One Requirements: Gas Operations - RI Operations, Work & Resource Planning, Engineering & Asset Management

Summary of Day One Requirements		
RI Gas Operations	Summary of Day One Requirements - Gas Field Operations and Meter shop will be taken over by PPL RI resources on Day 1. Day 1 focus will be on maintaining access to NG to required support systems and filling identified resource gaps	Targeted Timing
Meter Shop PPL Day 1	<ul style="list-style-type: none"> Obtain access to calibration machine database (e.g. for Bascombe Turner machine) 	Day 1
Field Operations PPL Day 1	<ul style="list-style-type: none"> Resource gap - availability and training of welding specialist including NDT for Gas Operations 	-90d Day 1
Work and Resource Planning	Summary of Day One Requirements - Work and Resource planning functions will be taken over by PPL RI employees on Day 1, leveraging NG systems / applications. Identifying and filling resource gaps will be critical for full Day 1 transition	Targeted Timing
Work and Resource Planning PPL Day 1	<ul style="list-style-type: none"> Determine support required for rate case analytics during the Transition Period. Construction database needs to transfer over or equivalent capability and maintenance 	Day 1 -30d Day 1
Dispatch PPL Day 1 / Partial TSA	<ul style="list-style-type: none"> Identification of suitably qualified and sufficient supervisory personnel for Dispatch. Create PPL appropriate branded messaging for customer contact center Define process for communicating with PPL Operations and field personnel 	-90d Day 1 Day 1 -30d Day 1
Engineering and Asset Management	Summary of Day One Requirements - Gas Engineering & Asset management functions will be taken over by PPL RI resources on Day 1, leveraging NG applications, engineering tools, and models. Identifying and filling resource gaps will be critical for full Day 1 transition	Targeted Timing
Strategy System Planning PPL Day 1	<ul style="list-style-type: none"> Setting up emergency call support. Resource gap - availability and training of corrosion engineer/scientist and analyst for Corrosion Control. Set up new support telephone number for Maps and provide after hours support for Maps. 	Day 1 -90d Day 1 Day 1



Day One Requirements: Gas Operations - Network Operations and LNG

Summary of Day One Requirements		
Sub-Function / Process	Summary of Day One Requirements - Instrumentation & Regulation and LNG Operations will be taken over by PPL RI employees on Day 1. Confirmation of conveying roles, and filling any resource gaps will be critical for full Day 1 transition. Gas Control is expected to be fully under TSA on Day 1 - maintaining communication continuity between Gas Control (TSA), Gas Procurement (TSA), PPL RI Leadership, and Gas Operations functions transitioning to PPL on Day 1 will be critical	Targeted Timing
Instrumentation & Regulation PPL Day 1	<ul style="list-style-type: none"> Confirm refreshed census data reflects dedicated I&R supervisory roles for deal perimeter 	-90d Day 1
LNG Operations PPL Day 1	<ul style="list-style-type: none"> Identify and appoint dedicated LNG engineering support roles within Engineering and Asset Management team to perform role from Day 1. 	Day 1
	<ul style="list-style-type: none"> Determine division of responsibility (incl. provision of data) to maintain SOX compliance. 	Day 1
Gas Control Full TSA	<ul style="list-style-type: none"> Update contact details for field technicians/ other Gas Operations teams to ensure continuity of communication. 	Day 1
	<ul style="list-style-type: none"> Create PPL appropriate branded messaging for EBB 	-30d Day 1
	<ul style="list-style-type: none"> Provide SCADA access for PPL employees in non-Gas Control functions (i.e., LNG Operations, I&R, Gas System Planning) 	-30d Day 1



Day One Requirements: Gas Operations - Pipeline Safety & Compliance

Summary of Day One Requirements		
Sub-Function: Process	Summary of Day One Requirements - Pipeline Safety & Compliance functions will be taken over by PPL RI employees on Day 1. Pipeline Safety Management and Continuous Improvement programs will be assessed and implemented by PPL for RI	Targeted Timing
Quality Assurance PPL Day 1	<ul style="list-style-type: none"> Partial assignment of MSR contract to perform Re-Dig programme to allow Quality Assurance to convey Day 1 	Day 1
	<ul style="list-style-type: none"> User access granted for iAuditor business application 	-30d Day 1
Pipeline Safety Programs PPL Day 1	<ul style="list-style-type: none"> Define and agree on approach for transitioning PSMS to PPL on Day 1. 	-90d Day 1
	<ul style="list-style-type: none"> Partial assignment of Culver contract for stakeholder engagement and public awareness programmes to allow Pipeline Safety to convey Day 1 	Day 1
	<ul style="list-style-type: none"> Amendments to National Grid GEN2020 (TVC records) policy, subject to confirmation of grace period. 	+30d Day 1
	<ul style="list-style-type: none"> Rebranding of customer communications (e.g., inserts, corporate communications and advertising) 	Day 1
	<ul style="list-style-type: none"> Updates to contact information provided in stakeholder engagement and public awareness programmes. 	Day 1
	<ul style="list-style-type: none"> Ensure National Grid Academy support for Op Qual Performance Evaluation from Day 1 	Day 1
	<ul style="list-style-type: none"> Provide access to Op Qual testing digital and paper records 	Day 1
	<ul style="list-style-type: none"> Provision of Op Qual employee testing and training plan 	Day 1
Continuous Improvement Programs PPL Day 1	<ul style="list-style-type: none"> Identify responsible person within PPL for Op Qual test security 	-30d Day 1
	<ul style="list-style-type: none"> Agree approach for transitioning CI Program activity to PPL on Day 1. 	-90d Day 1
Work Methods and Standards Partial TSA	<ul style="list-style-type: none"> Provide access to PDF copies for all work methods and procedures, construction standards and advisory notes. 	-90d Day 1
	<ul style="list-style-type: none"> Ensure MEQIP standards are being applied to material inventory in National Grid Sutton warehouse. 	Day 1



Day One Requirements: Gas Procurement (1/2)

Summary of Day One Requirements		
Sub-Function: Process	Summary of Day One Requirements - All Gas Procurement functions (including Retail Choice) will operate under TSA on Day 1. Primary focus will be on establishing new delegation of authority involving PPL, agency agreement drafting and updating business processes related to regulatory information requests and public testimony currently performed by NG Energy Procurement. Additional sessions are scheduled to finalize Day 1 requirements	Targeted Timing
Gas Procurement: Retail Choice Full TSA	• SOX control regulatory compliance check	-60d Day 1
	• Map responsibility and process for public engagement by NG on PPLs behalf from a legal, compliance and regulatory perspective; Customer Choice Tariff Compliance	-30d Day 1
	• Day one change of ownership is communicated to customers and marketers	-30d Day 1
	• Determine system branding requirements based on customer interaction and ensure correct branding is presented to customers.	-60d Day 1
	• NG should retain access to critical systems for business to be conducted, and contracts to be paid for according to the new org structure as applicable; Platts Gas Daily	-60d Day 1
Gas Procurement: Gas Supply Planning Full TSA	• Establish delegation of authority in relation to long term strategy decisions, short term commercial decisions, long term transaction approvals, and rate filings	-90d Day 1
	• Establish business process for responding to regulatory information requests and testifying publicly; GCR, Long Range Plan	-60d Day 1
	• Establish clarity on 3rd party contractors; Robinson Cole Legal Representation, Hitachi	-60d Day 1
	• NG should retain access to critical systems for business to be conducted, and contracts to be paid for according to the new org structure as applicable; Platts Gas Daily, ABB Sendout, Excel Models, Horizon	-60d Day 1
Gas Procurement: Wholesale Gas Supply Full TSA	• Establish delegation of authority in relation to the day-to-day commercial operations of supply contracting, reporting fixed price transactions to publications, gas scheduling	-90d Day 1
	• Establish business process for transaction monitoring and maintaining FERC compliance; AMA, capacity releases, reporting daily & monthly prices to index publications (FERC audit).	-60d Day 1
	• Establish clarity that 3rd party contractors (pipeline suppliers, ICE, etc.) are aware that NG is work as an agent on behalf of PPL on Day 1	-30d Day 1
	• NG should retain access to critical systems for business to be conducted, and contracts to be paid for according to the new org structure as applicable; ICE, Pipeline Websites, Pipeline Bulletin Boards, EBB	-60d Day 1



Day One Requirements: Gas Procurement (2/2)

Summary of Day One Requirements		
Gas Procurement: Gas Contracting & Compliance Full TSA	<ul style="list-style-type: none"> Establish delegation of authority in relation to the day-to-day commercial operations of administering the purchase gas on a daily basis & a year out, facilitating new NAESBs, monitoring assets for pipeline storage & capacity, PPL approval of vendor lists & transportation bids 	-90d Day 1
	<ul style="list-style-type: none"> Evaluate need for Agency Agreements with 3rd parties and execute amendments and contract template changes accordingly, ensuring NG can act as an agent regarding Candian assets, ensuring the correct company name under contracts for gas contracting & PSRG services 	-90d Day 1
	<ul style="list-style-type: none"> NG should retain access to critical systems for business to be conducted, and contracts to be paid for according to the new org structure as applicable; ISNetwork, DOE Website (Candian imports) 	-30d Day 1
Gas Procurement: Gas Forecasting Full TSA	<ul style="list-style-type: none"> Establish business processes for maintaining Regulatory compliance; PPL and NG need to reach a decision regarding who acts at the witness/mouthpiece to support cost of gas rate recovery filings 	-90d Day 1
	<ul style="list-style-type: none"> NG should retain access to critical systems for business to be conducted, and contracts to be paid for according to the new org structure as applicable; Oracle database, REM, Moody's 	-30d Day 1
Gas Procurement: Gas Financial Hedging Full TSA	<ul style="list-style-type: none"> Establish delegation of authority in relation to long term strategy decisions, short term commercial decisions, long term transaction approvals, and rate filings; NGPMP, GPIIP and trading strategy controls 	-90d Day 1
	<ul style="list-style-type: none"> Evaluate need for Agency Agreements for ISDAs operation 	-60d Day 1
	<ul style="list-style-type: none"> Establish business process for responding to regulatory information requests and testifying publically; GCR, Long Range Plan regarding NPIP & NGPMP GCR proceedings 	-60d Day 1
	<ul style="list-style-type: none"> NG should retain access to critical systems for business to be conducted, and contracts to be paid for according to the new org structure as applicable; ZEMA, WoodMac, ICE, Allegro, and Platts 	-30d Day 1

TSA Impacts: Gas Operations and Gas Procurement

Summary of TSA Changes	
Sub-Function	Proposed modification to TSA and rationale
RI Gas Operations	<p><u>093-GO Gas Meter Operations/ Meter Shop</u>: All activities are conveying Day 1 and no requirement for TSA.</p> <p><u>090-GO Mandated Programs including Leak Support</u>: All activities are conveying Day 1 and no requirement for TSA.</p> <p><u>094-GO Customer Meter Support</u>: All activities are conveying Day 1 and no requirement for TSA.</p>
Work and Resource Planning	<p><u>087-GO Resource Management, Investment Planning and Dispatching</u>: Reduce scope of services to include only:</p> <ul style="list-style-type: none"> • <u>Dispatching supervision activities</u>
Complex Capital Projects	<p><u>088-GO Gas Complex Capital Construction Services</u>: All activities are conveying Day 1 and no requirement for TSA.</p>
Engineering and Asset Management	<p><u>085-GO Gas Engineering</u>: All activities are conveying Day 1 and no requirement for TSA.</p> <p><u>086-GO Gas Asset Management Services</u>: All activities are conveying Day 1 and no requirement for TSA.</p> <p><u>088-GO Gas Complex Capital Construction Services</u>: All activities are conveying Day 1 and no requirement for TSA.</p> <p><u>090-GO Mandated Programs including Leak Support</u>: All activities are conveying Day 1 and no requirement for TSA.</p>
Network Operations and LNG	<p><u>085-GO Gas Engineering</u>: All activities are conveying Day 1 and no requirement for TSA.</p> <p><u>086-GO Gas Asset Management Services</u>: All activities are conveying Day 1 and no requirement for TSA.</p> <p><u>091-GO Gas Control Center Operations</u>: Amend scope to include:</p> <ul style="list-style-type: none"> • <u>Management of telecommunication outages with service provider or manage through CNI team</u> <p><u>092A-GO LNG Operations</u>: All activities are conveying Day 1 and no requirement for TSA.</p>
Pipeline Safety and Compliance	<p><u>089-GO Pipeline Safety and Compliance</u>: Determine viability of PSMS and Continuous Improvement Programs under TSA given the National Grid corporate wide nature of the programs (e.g. can RI be carved out of broader program)</p>
Gas Procurement	<p><u>102-EP Gas Supply Planning</u>: Add "if any" to LNG Liquefaction, because LNG liquefaction is not a current NG capability (Not Added on Tracker)</p> <p><u>102-EP Gas Supply Planning</u>: Elaborate on "procurement capacity modelling and other analysis to "Procurement and capacity modelling and Scenario analysis, ongoing portfolio analysis, transportation and storage capacity analysis, and procurement (supply) analysis</p> <p><u>102-EP Gas Supply Planning</u>: Elaborate on Support middle- and back-offices...." to "Support middle- and back-offices relating to accounting; credit support and cash flow analysis with respect to monthly closes and any other gas procurement services."</p> <p><u>102-EP Retail Choice</u>: Add SOX Compliance to TSA if there is no mention in other TSAs</p> <p>Add Economic Impact Analysis TSA</p>



Day One Requirements: Gas Operations and Gas Procurement

Additional Items & Cross-functional dependencies	
IT	<ul style="list-style-type: none"> • Provision of user access • DMS access (e.g., SharePoint) • Implement application controls and determine mitigating controls for business applications when application controls are not feasible to limit access to sensitive data. • CNI support to maintain critical network infrastructure support. • Define process for communicating IT changes for Day 1
Regulatory	<ul style="list-style-type: none"> • Agree approach to regulatory and filing activities during the Transition Period and identify potential changes to the way work is performed. • Determine support required to be provided for rate case analytics during the Transition Period.
Finance / Audit / Controls	<ul style="list-style-type: none"> • Provide finance reports for day-to-day operations, including capital portfolio management, as well as regulatory and compliance tasks. • Process support and data provision to ensure continued SOX compliance.
HR / People	<ul style="list-style-type: none"> • National Grid Academy facilitation/ support for Pipeline Safety Performance Evaluations • Identification of suitably qualified and sufficient management personnel to fill necessary Day 1 operating model roles. • Support for vacancies and recruitment
Gas Procurement	<ul style="list-style-type: none"> • Determine appropriate contract/ vendor disposition for all TSAs and day-to-day activities. • Define process for capturing contract changes to post-Day 1. • Middle & Back Office for regulatory compliance, transaction approval, Horizon system, accounting, credit support, and analysis regarding the gas procurement services • Asset Management coordination needed for scheduling gas • Legal coordination needed for regulatory representation • Regulatory Strategy coordination needed for rate filings & other regulatory matters • Supplier Services coordination needed for approving marketers • Spatial forecasting is dependent on Gas Control and Engineering System Planning for Day Ahead forecast • LNG refill, and confirming gas deliveries is also dependent on Gas Control • Risk committees coordination needed for approvals • IT coordination needed for maintaining databases used to analyze and build forecast models • Finance team coordination needed for Forecasting Economics Team
Fleet and Equipment	<ul style="list-style-type: none"> • Ensuring continuity of equipment, vehicles and associated technology

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