

Gas Charging Review



NTSCMF – 13 October 2017

Agenda

Area	Detail
UNC Modification 0621	<ul style="list-style-type: none">• Updated draft for UNC0621• Main objectives and deliverables for UNC0621<ul style="list-style-type: none">• Compliance• Delivering for 2019 and beyond• Plan for updating and amending UNC0621
Plan and GB/EU Consultation and change process	<ul style="list-style-type: none">• Running GB UNC change process and EU Consultation and as a single process• Impact Assessment – what should be included?
Charging Models	<ul style="list-style-type: none">• Development of Transmission Services CWD spreadsheet and Non Transmission Services spreadsheets alongside UNC0621 development
Next Steps	<ul style="list-style-type: none">• Next Steps for UNC0621

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UNC Modification 0621

Amendments to Gas Transmission Charging Regime

Gas Charging Review:

UNC0621 – Compliance and Delivery

- Updated draft of UNC0621 published on the NTSCMF pages for 13 October

<https://www.gasgovernance.co.uk/NTSCMF/131017>

- This has been updated from the published UNC0621 available on the modifications page

<https://www.gasgovernance.co.uk/0621>

- The updates propose a package for the charging framework, reflecting our latest thinking

Gas Charging Review:

Main objectives and deliverables for UNC0621

Area	Detail
Compliance	<ul style="list-style-type: none">• The methodology that will be implemented will be compliant with the EU Tariffs Code• We recognise there may be areas where compliance with aspects of the EU Tariff Code may require further discussion and clarification and potential updates
Delivery	<ul style="list-style-type: none">• UNC0621 proposes a methodology to be in place to impact prices from 2019.• The proposal acknowledges that it should deliver a methodology that provides a framework for changes and refinements beyond 2019• To refine and update key parts of the proposed methodology over the short term<ul style="list-style-type: none">• There will be a number of ways this could be done and the modification will be updated appropriately• To support the evolution of the charging regime

Gas Charging Review:

UNC0621 – Managing updates / Alternates

Plan for updating and amending UNC0621

- Modification proposal 0621 – “Amendments to Gas Transmission Charging Regime”. (version 1.0)
 - Draft amendments are being discussed today version 1.1
- If there are any further amendments we will table them in draft format first before formally amending the version on the Joint Office Website
- Alternative proposals may be raised until the completion of the Workgroup Report for Panel consideration.
- This deadline should be balanced against the need to develop any such alternative proposal and to produce legal text.
- Ideal to have early engagement of draft modification/s text, at the workgroup, before they are formally raised and enter into the loop of version control.
- Modification proposals with multiple alternative proposals – past experience:
 - Desirable to avoid multiple versions for each proposal, particularly during the process of creating the legal text.

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Plan and change process

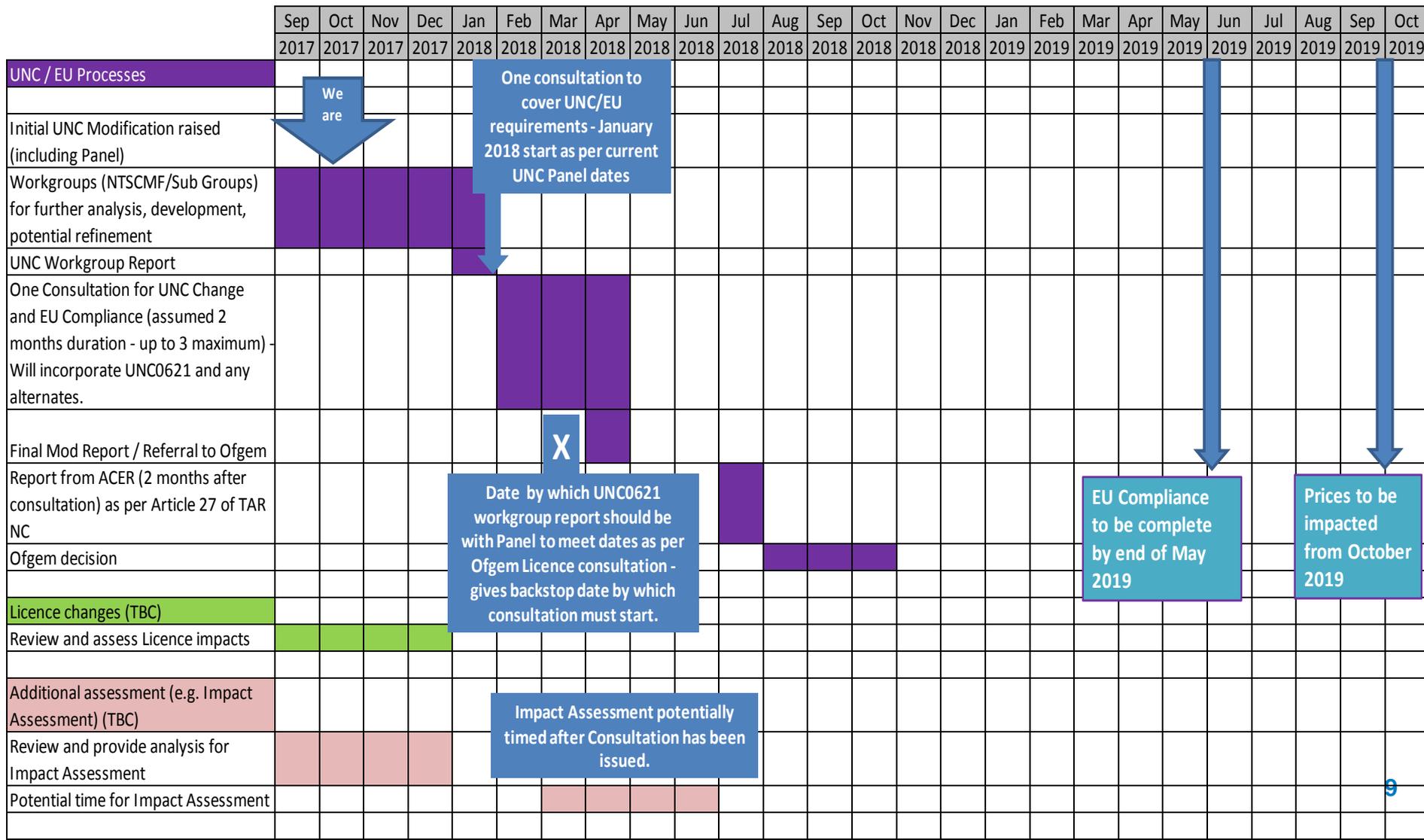
Gas Charging Review: Plan and Change process

- UNC0621 and the EU requirements for consultation
- Discussed one consultation to be used for both based on the UNC0621 workgroup report incorporating any alternates
- Ofgem issued “Consultation on proposals to implement aspects of Regulation (EU) 2017/4601, the European Network Code on harmonised transmission tariff structures for gas (TAR NC)” on 4 October 2017
 - Responses due on or before 1 November 2017

https://www.ofgem.gov.uk/system/files/docs/2017/10/tar_nc_implementation_proposals.pdf

Plan and Change process

Timeline (simplified) – One consultation



Gas Charging Review: Impact Assessment Questions (1)

- At 26 September NTSCMF discussed providing input to help shape any impact assessment
- For any impact assessment, beneficial to capture thoughts on:
 - What should an Impact Assessment contain?
 - What impacts or analysis would parties like to see in an Impact Assessment?
 - What could be covered in UNC0621, if appropriate, that can support an impact assessment?

Gas Charging Review: Impact Assessment Questions (2)

- This is to help shape the Ofgem impact assessment
- Suggestions can be collated and shared to NTSCMF and to Ofgem with any relevant parts potentially included into UNC0621 analysis where appropriate
- Suggestions or requests should be sent to:

box.transmissioncapacityandcharging@nationalgrid.com

Gas Charging Review



Development of Transmission Services CWD spreadsheet and Non Transmission Services spreadsheets alongside UNC0621 development

Gas Charging Review: Charging Model development

Further development

- Transmission Services:
 - Cost Allocation assessment to be added
 - Updates to align with UNC0621 developments

- Non Transmission Services:
 - Updates to align with UNC0621 developments

Gas Charging Review



UNC0621 Modification
Next Steps

Gas Charging Review: UNC0621 Next Steps

- Further development and refinement of UNC0621
- Publication of updated charging models
- Preparation for starting workgroup report
- Next NTSCMF is 25 October 2017

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