UNC Modification Proposals 0678 and Alternatives: Comparison of Key Elements

Component	Element	0678 — v4.0 (20/3/2019) — National Grid	0678A — v3.0 (21/3/2019) — RWE Supply & Trading GmbH	0678B — v3.0 (20/3/2019) — Centrica	0678C — v5.0 (4/4/2019) — SSE	0678D — v5.0 (10/4/2019) — ENI	0678E — v3.0 (3/4/2019) — Gateway LNG Company	0678F — v4.0 (9/4/2019) — Storengy UK	0678G — v4.0 (5/4/2019) — Vitol SA Geneva	0678H — v5.0 (9/4/2019) — EP UK Investments	0678I — v6.0 (10/4/2019) — Gazprom Marketing & Trading	0678J — v3.0 (10/4/2019) — South Hook Gas Company
Transmission Services Charges												
Capacity Reference Price	Reference Price Methodology	Capacity Weighted Distance with adjustment to minimise Revenue Recovery	Postage stamp model with adjustment to minimise Revenue Recovery, CWD as counterfactual	Capacity Weighted Distance with adjustment to minimise Revenue Recovery	Postage stamp model with adjustment to minimise Revenue Recovery	Capacity Weighted Distance to minimise Revenue Recovery	Capacity Weighted Distance with adjustment to minimise Revenue Recovery	Capacity Weighted Distance with adjustment to minimise Revenue Recovery	Capacity Weighted Distance with adjustment to minimise Revenue Recovery	Postage stamp model with adjustment to minimise Revenue Recovery	Capacity Weighted Distance with adjustment to minimise Revenue Recovery	Postage stamp model with adjustment to minimise Revenue Recovery
	Target Revenue	Net of Existing Contracts	Net of Existing Contracts	Net of Existing Contracts	Net of Existing Contracts	Net of Existing Contracts	Net of Existing Contracts	Net of Existing Contracts	Net of Existing Contracts	Net of Existing Contracts	Net of Existing Contracts	Net of Existing Contracts
	Treatment of zero Reference Prices	Uses Weighted Average Distance to determine price using nearest non-zero Reference Priced Entry or Exit Point's WAD.	Uses postage stamp prices for entry/exit.	Uses Weighted Average Distance to determine price using nearest non-zero Reference Priced Entry or Exit Point's WAD.	Uses postage stamp prices for entry/exit.	Uses Weighted Average Distance to determine price using nearest non-zero Reference Priced Entry or Exit Point's WAD.	Uses Weighted Average Distance to determine price using nearest non-zero Reference Priced Entry or Exit Point's WAD.	Uses Weighted Average Distance to determine price using nearest non-zero Reference Priced Entry or Exit Point's WAD.	Uses Weighted Average Distance to determine price using nearest non-zero Reference Priced Entry or Exit Point's WAD.	Uses postage stamp prices for entry/exit.	Uses Weighted Average Distance to determine price using nearest non-zero Reference Priced Entry or Exit Point's WAD.	Uses postage stamp prices for entry/exit.
Forecasted Contracted Capacity (FCC)	Methodology arrangements	National Grid Forecast (excluding Existing Contract capacity). Methodology not in UNC	National Grid Forecast (excluding Existing Contract capacity). Methodology referenced in UNC. Review process under the UNC. Additional information publication requirements (TAR Art 30)	National Grid Forecast. Methodology in UNC	National Grid Forecast. Methodology in UNC	National Grid Forecast (excluding Existing Contract capacity). Methodology not in UNC	National Grid Forecast (excluding Existing Contract capacity). Methodology not in UNC	National Grid Forecast (excluding Existing Contract capacity). Methodology not in UNC	National Grid Forecast (excluding Existing Contract capacity). Methodology not in UNC	National Grid Forecast (excluding Existing Contract capacity). Methodology not in UNC	National Grid Forecast (excluding Existing Contract capacity). Methodology not in UNC. Includes eligible sites for Wheeling Charge. Methodology change limit (once every 4 years)	National Grid Forecast (excluding Existing Contract capacity). Methodology not in UNC
Reserve Price - Firm and Interruptible	Multiplier (Annual Capacity Product)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
	Multiplier (Quarterly Capacity Product)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
	Multiplier (Monthly Capacity Product)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
	Multiplier (Daily Capacity Product)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
	Interruptible / Off-peak adjustment (entry)	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
	Interruptible / Off-peak adjustment (exit)	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
	Interruptible /off-peak adjustments from Year 2 onwards	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
	Fixed or floating price	Floating	Floating	Floating	Floating	Floating	Floating	Floating	Floating	Floating	Floating	Floating
Reserve Price - Specific Capacity Discounts	Storage	50%	50%	50%	80%	50%	80%	80%	50%	50%	50%	50%
	LNG	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
	Ireland Security Discount	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	95%	N/A
	Minimum Reserve Price	0.0001p/kWh/d	0.0001p/kWh/d	0.0001p/kWh/d except the Optional Capacity Charge which is 0.000001p/kWh/d)	0.0001p/kWh/d	0.0001p/kWh/d	0.0001p/kWh/d	0.0001p/kWh/d	0.0001p/kWh/d	0.0001p/kWh/d	0.0001p/kWh/d	0.0001p/kWh/d
Revenue Recovery Charges	Application	Capacity charge (applied to fully adjusted capacity)	Capacity charge (applied to fully adjusted capacity)	Capacity charge (applied to fully adjusted capacity)	Capacity charge (applied to fully adjusted capacity)	Capacity charge (applied to fully adjusted capacity)	Capacity charge (applied to fully adjusted capacity)	Capacity charge (applied to fully adjusted capacity)	Capacity charge (applied to fully adjusted capacity)	Capacity charge (applied to fully adjusted capacity)	Capacity charge (applied to fully adjusted capacity)	Capacity charge (applied to fully adjusted capacity)
	Exclusions	Existing Contracts	Existing Contracts	Existing Contracts	Storage Connection Point capacity (except where booked for own use purposes)	Existing Contracts	Storage Connection Point capacity	Storage Connection Point capacity	Existing Contracts for capacity at Storage Connection Points	Existing Contracts for capacity at Storage Connection Points	Existing Contracts	Existing Contracts
	Change frequency	At any point in Gas Year with notice	At any point in Gas Year with notice	At any point in Gas Year with notice	At any point in Gas Year with notice	At any point in Gas Year with notice	At any point in Gas Year with notice	At any point in Gas Year with notice	At any point in Gas Year with notice	At any point in Gas Year with notice	At any point in Gas Year with notice	At any point in Gas Year with notice
	Status of 'Existing Contract'	Lost if traded post 5/4/17	Lost if traded post 5/4/17	Lost if traded post 5/4/17	N/A	Lost if traded post 5/4/17	N/A	N/A	Lost if traded post 5/4/17	Lost if traded post 5/4/17	Lost if traded post 5/4/17	Lost if traded post 5/4/17
NTS Optional Charge	Method (rate derivation)	N/A	N/A	Reserve Prices established with reference to the ratios of the straight-line entry-exit distance to entry and exit CWD values, and the application of a "System Utilisation Factor"	N/A	Existing OCR formula adjusted by RPI, cost base subject to annual CPI adjustment. Rate converted to a capacity charge using FCC	N/A	N/A	Existing OCR formula adjusted by RPI, cost base subject to annual CPI adjustment. Rate converted to a capacity charge using FCC	Existing OCR formula adjusted by RPI, cost base subject to annual CPI adjustment. Rate converted to a capacity charge using FCC	Wheeling Charge': existing OCR formula adjusted by RPI, cost base subject to annual CPI adjustment	Existing OCR formula adjusted by RPI, cost base subject to annual CPI adjustment. Rate converted to a capacity charge using FCC
	Eligible Quantity	N/A	N/A	Minimum of firm capacity entitlement and allocation (flow) at relevant entry point and exit point = "Applicable Quantity"	N/A	Lesser of capacity and allocation (flow) at entry point and exit point. Annual reconciliation where actual bookings are less than FCC	N/A	N/A	Lesser of capacity and allocation (flow) at entry point and exit point. Annual reconciliation where actual bookings are less than FCC	Lesser of capacity and allocation (flow) at entry point and exit point. Annual reconciliation where actual bookings are less than FCC	Lesser of capacity and allocation (flow) at entry point and exit point	Lesser of capacity and allocation (flow) at entry point and exit point. Annual reconciliation where actual bookings are less than FCC
	Alternative charges	N/A	N/A	Standard Transmission Services Capacity charge and General Non-Transmission Services charges	N/A	Standard Transmission Services Capacity charge and General Non-Transmission Services charges	N/A	N/A	Standard Transmission Services capacity charge and General Non-Transmission Services charges	Standard Transmission Services capacity charge and General Non-Transmission Services charges	Standard Transmission Services Capacity charge, General Non-Transmission Services charges and Revenue Recovery Charges	Standard Transmission Services capacity charge and General Non-Transmission Services charges
	Limitations	N/A	N/A	Not available for Storage Connection Points nor DN Offtakes, minimum distance 0.1km	N/A	Not available for Storage Connection Points nor DN Offtakes	N/A	N/A	Not available for Storage Connection Points nor DN Offtakes	Not available for Storage Connection Points nor DN Offtakes	Only available to Entry and Exit Points at the same location	Not available for Storage Connection Points nor DN Offtakes
	Application at Bacton ASEPs	N/A	N/A	Pro-rata rules for identification of eligible quantities	N/A	No specific provision	N/A	N/A	No specific provision	No specific provision	No specific provision	No specific provision
'K'	Application	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles
Non-Transmission Services Charges												
St. Fergus Compression	Application	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles
NTS Metering	Application	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles
DN Pensions Deficit	Application	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles
SSMP Administration	Application	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles
IP Allocation	Application	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles
Entry and Exit Charges	Application	Allocation (flow) based charge to recover residual Non-transmission services revenue, except non-own-use at storage	Allocation (flow) based charge to recover residual Non-transmission services revenue, except non-own-use at storage	Allocation (flow) based charge to recover residual Non-transmission services revenue, except non-own-use at storage	Allocation (flow) based charge to recover residual Non-transmission services revenue, except non-own-use at storage	Allocation (flow) based charge to recover residual Non-transmission services revenue, except non-own-use at storage	Allocation (flow) based charge to recover residual Non-transmission services revenue, except non-own-use at storage	Allocation (flow) based charge to recover residual Non-transmission services revenue, except non-own-use at storage	Allocation (flow) based charge to recover residual Non-transmission services revenue, except non-own-use at storage	Allocation (flow) based charge to recover residual Non-transmission services revenue, except non-own-use at storage	Allocation (flow) based charge to recover residual Non-transmission services revenue, except non-own-use at storage	Allocation (flow) based charge to recover residual Non-transmission services revenue, except non-own-use at storage
'K'	Application	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles
General												
Publication of variables	Multipliers	Transportation Statement	Transportation Statement	Transportation Statement	Transportation Statement	Transportation Statement	Transportation Statement	Transportation Statement	Transportation Statement	Transportation Statement	Transportation Statement	Transportation Statement
	Interruptible Adjustment	Transportation Statement	Transportation Statement	Transportation Statement	Transportation Statement	Transportation Statement	Transportation Statement	Transportation Statement	Transportation Statement	Transportation Statement	Transportation Statement	Transportation Statement
	LNG Discount	Transportation Statement	Transportation Statement	Transportation Statement	Transportation Statement	Transportation Statement	Transportation Statement	Transportation Statement	Transportation Statement	Transportation Statement	Transportation Statement	Transportation Statement
	CWD Distances	Charging Model	Charging Model	Charging Model	Charging Model	Charging Model	Charging Model	Charging Model	Charging Model	Charging Model	Charging Model	Charging Model
	FCCs	Charging Model	Charging Model	Charging Model	Charging Model	Charging Model	Charging Model	Charging Model	Charging Model	Charging Model	Charging Model	Charging Model. Published a minimum of one month ahead of the tariff period
Capacity Surrender Rule	Unprotected Capacity (allocated 2/18 to 12/18)	No additional rights proposed	No additional rights proposed	No additional rights proposed	No additional rights proposed	No additional rights proposed	No additional rights proposed	User may surrender all or part where floating reserve Price is >5% of that at allocation	No additional rights proposed	No additional rights proposed	No additional rights proposed	No additional rights proposed
Publication of Reserve Prices	NTS Entry Capacity - QSEC (Unprotected Capacity)	No proposed obligations	No proposed obligations	No proposed obligations	No proposed obligations	No proposed obligations	No proposed obligations	Additional indicative and final notices of Reserve and step prices	No proposed obligations	No proposed obligations	No proposed obligations	No proposed obligations
Implementation	Effective Date	First day of third month following decision date (or as determined by Ofgem)	First day of third month following decision date (or as determined by Ofgem)	A date directed by Ofgem	1 October in a year (with at least 4 months notice)	First day of third month following decision date (or as determined by Ofgem)	First day of third month following decision date (or as determined by Ofgem)	First day of third month following decision date (or as determined by Ofgem)	First day of third month following decision date (or as determined by Ofgem)	First day of third month following decision date (or as determined by Ofgem)	1 October in a year (with at least 4 months notice)	First day of third month following decision date (or as determined by Ofgem)

Legend: Variation in treatment of element from UNC Modification Proposal 0678

nationalgrid