

0597:

Rules for the release of Incremental Capacity at Interconnection Points



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Why change?



- New UNC rules are required to allow compliance with the amended EU CAM code.
- There are currently no applicable rules in the GB commercial framework regarding the release of incremental capacity at Interconnection Points.

Options



- The incremental process shall be reflected in the GB network codes to provide clarity on how the EU wide process fits in with the existing GB commercial framework.
- In the event National Grid were to implement the CAM rules without a corresponding UNC modification then there would be a lack of transparency and clarity around the process.
- National Grid shall also propose corresponding changes to capacity methodology statements as appropriate (however these must be as well as, not instead of the UNC modification).

Solution



The solution can broadly be split into 4 sections.

- Rules for a demand assessment process whereby industry can signal to National Grid a need for incremental capacity
- Rules for National Grid conducting an industry consultation regarding how it will release any incremental capacity.
- Setting the framework for submitting the formal project proposal to the Regulator(s).
- Setting the framework for rules on how National Grid will allocate incremental capacity.

Recommended Steps



- The Proposer recommends that this modification should be:
 - Not subject to self-governance because the proposal
 - May have a material effect on competition in the shipping and transportation of gas as well as the security of supply for GB.
 - Will introduce different rules for releasing incremental capacity at IPs compared to non-IPs which may be appropriate for the Authority to consider.
 - Workgroup assessment to develop the modification for 3 months (Nov, Dec, Jan).