

# NTS Charging Review - Objectives\*

| Issue               | What does this mean to people?                                                                                                                                                                                                                                                                                          |
|---------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Minimise Volatility | Minimise magnitude of changes within year; sensitivity of inputs in the overall reference price methodology and overall framework (inclusive of all adjustments, alternative products)                                                                                                                                  |
| Predictability      | Use of charges in their own charging frameworks, timing of changes and transparency . Including ability to understand methodology and reproduce/ forecast charges                                                                                                                                                       |
| Stability of prices | Minimise magnitude of changes year to year, sensitivity of inputs in the overall framework                                                                                                                                                                                                                              |
| Fairness            | Equitable treatment for users where appropriate; how the design and application of discounts, exemptions and alternative products is done                                                                                                                                                                               |
| Security            | Promote competition, facilitate cross border trade and supply of gas from domestic and non-domestic sources. Charges should facilitate delivery of new and flexible supplies as well as demand side response.                                                                                                           |
| Network efficiency  | Charges should encourage efficient use and operation of the system. In a future of falling demand, changing supply patterns and probable decommissioning of system points the charging framework should facilitate optimal utilisation of the network including delivery of new investment and signalling of redundancy |

*\*Consideration to be given to any legal obligations in force at the time*