

Gas Charging Review

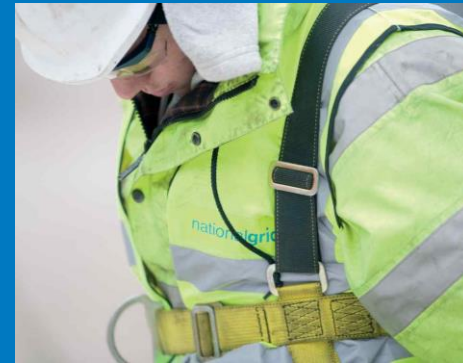


NTSCMF – 05 June 2017

Agenda

Area	Detail
EU Tariffs Code – Current Outlook	<ul style="list-style-type: none">• Key updates relevant to Gas Charging Review
Output from sub-workgroup	<ul style="list-style-type: none">• Summary of recent sub groups, future sub groups, their focus
UNC Modification	<ul style="list-style-type: none">• UNC Modification submitted to panel on 2 June
Plan and change process	<ul style="list-style-type: none">• Update on UNC Modification Development, change process and timescales• Further development at NTSCMF and future NTSCMF sub workgroups to sthe timeline for UNC Modification
Next Steps	<ul style="list-style-type: none">• UNC Modification Panel

Gas Charging Review

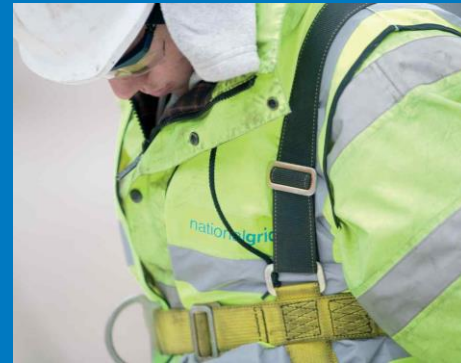


EU Tariff Code – Current Outlook

UNC Mod for Capacity Treatment at Combined ASEPs

- New mod on treatment of capacity at combined ASEPs
 - Allows discounts to be applied to storage points in ASEPs with points of mixed classification.
- Mod to be developed within Transmission WG
- Draft mod to be submitted to Panel in July 2017
 - Implementation timeline – as for main Charging Mod

Gas Charging Review



Output from sub workgroups
Colin Williams

Gas Charging Review: Output from sub workgroup (1)

- One sub group since 23 May NTSCMF
 - 30 May
- There are two or more sub group T-Con/WebEx meetings scheduled for each month until September:
 - 14 June, 29 June, 11 July, 25 July, 8 August, 24 August, 8 September, 12 September, 19 September, 28 September
- All documentation and outputs, when updated from the meetings will be available:

<http://www.gasgovernance.co.uk/ntscmf> and

<http://www.gasgovernance.co.uk/ntscmf/subg>

Gas Charging Review:

Output from sub workgroup (2)

Sub group on 23 May discussed:

- Forecasted Contracted Capacity (FCC)
 - Discussion on whether it was defined. Definitions of Contracted Capacity were discussed however FCC itself is not a defined term.
 - The group recognised that obligated may not be the most appropriate method, when considering the potential impacts on revenue recovery options, however any methodology to determine a set of values without doing a bespoke forecast would be challenging.
 - Also discussed Existing Contracts relative to the FCC numbers and the calculation in the CWD model.

Gas Charging Review:

Output from sub workgroup (3)

Sub group on 23 May outcomes on FCC:

- 2 options for FCC were agreed in principle either;
 - Obligated Capacity values, or
 - A proportion of the Obligated Capacity values based on a methodology.
- Encouragement to industry parties that if there is another suggestions for FCC to put a paper/discussions forward to NTSCMF on 5 June.
- Further discussion at NTSCMF (including any proposals submitted)

Gas Charging Review: Sub workgroups – June 2017

Sub Group	Topic to be discussed	Overview
<p>14 June 10:00 – 12:00</p>	<ul style="list-style-type: none"> Revenue Reconciliation / Recovery 	<ul style="list-style-type: none"> Discussion on the adjustments and options for revenue reconciliation and recovery Establish objectives of adjustments and consider the options that may best fit these Further meetings may be required and scheduled accordingly
<p>29 June 10:00 – 12:00</p>	<ul style="list-style-type: none"> Avoiding inefficient bypass of the NTS 	<ul style="list-style-type: none"> Discussion on the objectives of a product to avoid inefficient bypass Discussion on the potential options for avoiding inefficient bypass Further meetings may be required and scheduled accordingly

Sub workgroups – Joining and Contributions

- Inputs in advance of the meetings are welcome
 - Questions or comments or any position papers, for example
 - The one-pager documents can also be used to frame the discussions

<http://www.gasgovernance.co.uk/ntscmf/subg1page>

- To receive joining instructions for the meetings (or to join a specific sub group on a particular topic) please contact National Grid

box.transmissioncapacityandcharging@nationalgrid.com

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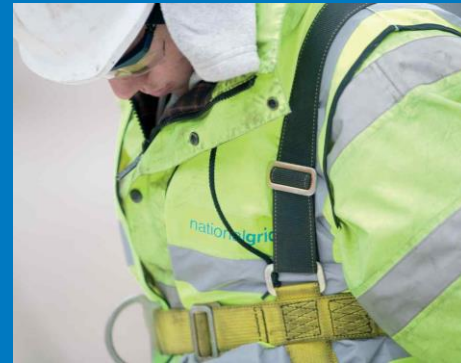
UNC Modification

Laura Johnson / Colin Williams

Gas Charging Review: Draft UNC Modification

- UNC Modification was sent to Panel on 2 June
- Will walk through the modification proposal submitted and if any major concerns then will see if these can be fed through to an update version of the MOD for the Panel to consider on 15 June
- Proposal within the MOD, is to send the MOD to NTSCMF for development – first NTSCMF this will be discussed at is on the 7 July
 - Twice monthly NTSCMFs, twice monthly Sub Groups
 - Recommending back to Panel December 2017

Gas Charging Review



Plan and change process

Gas Charging Review: UNC Modification – Timeline update

Date	Meeting#	Detail
24 April 2017	NTSCMF	<ul style="list-style-type: none"> Continue pre-modification discussions on scope of proposed UNC Modification Discuss overview of what it will and won't contain at this stage, links to the key topics under discussion
8 May 2017	NTSCMF	<ul style="list-style-type: none"> Pre-modification discussion on all topics to include draft proposals for each for inclusion into the UNC Modification Discuss overview of what it will and won't contain at this stage, links to the key topics under discussion
23 May 2017	NTSCMF	<ul style="list-style-type: none"> Discuss the draft for the UNC Modification ahead of any revisions before being submitted to June Panel
2 June 2017	n/a	<ul style="list-style-type: none"> Submission of UNC Modification to Joint Office
5 June	NTSCMF	<ul style="list-style-type: none"> UNC Modification review and development
Post 5 June	n/a	<ul style="list-style-type: none"> Make updates to UNC Modification and update version with Joint Office being reviewed at UNC Mod Panel
15 June 2017	UNC Mod Panel	<ul style="list-style-type: none"> Decision on UNC Modification(s) recommending referral to workgroup (at NTSCMF)

#There will be opportunities to use the Sub group over this period and beyond to help support and facilitate UNC Modification process, where appropriate

Gas Charging Review: UNC Modification – Discussion

- The Modification submitted on 2 June is broad in its scope and has a number of topics to discuss
- The intention is to have a discussion on all topics, in depth, at both the sub group and NTSCMF by the end of September 2017
 - Some topics will need more than one meeting at sub group and NTSCMF.
 - Over time this should bring all topics together to help inform changes to the Modification / help facilitate any potential alternates
- Anticipate regular updates to the modification proposal
 - E.g. each month to build and refine the solution(s)

Gas Charging Review: Topic Development – for discussion (1/2)

Date	Meeting	Key topic to discuss#
30 May 13:00 – 15:00	Sub Group	<ul style="list-style-type: none"> Forecasted Contracted Capacity
5 June	NTSCMF	<ul style="list-style-type: none"> Forecasted Contracted Capacity*
14 June 10:00 – 12:00	Sub Group	<ul style="list-style-type: none"> Revenue Reconciliation / Recovery (may also include some views on Multipliers)
29 June 10:00 – 12:00	Sub Group	<ul style="list-style-type: none"> Avoiding inefficient bypass of the NTS
7 July	NTSCMF	<ul style="list-style-type: none"> CWD Updated Model Revenue Reconciliation / Recovery* Avoiding inefficient bypass of the NTS*
11 July 13:00 – 15:00	Sub Group	<ul style="list-style-type: none"> Specific Capacity Discounts
17 July	NTSCMF	<ul style="list-style-type: none"> Specific Capacity Discounts* Non-Transmission Services Model*
25 July 13:00 – 15:00	Sub group	<ul style="list-style-type: none"> Multipliers

#There may be some occasions where the topic runs over a few meetings, we will revisit the sub-group / NTSCMF meeting topic if this happens.

* These topics will be relaying outputs from the sub-group in addition to further discussion at NTSCMFs

Gas Charging Review: Topic Development – for discussion (2/2)

Date	Meeting	Key topic to discuss#
2 August	NTSCMF	<ul style="list-style-type: none"> • Multipliers* • Avoiding inefficient bypass of the NTS
8 August 13:00 – 15:00	Sub Group	<ul style="list-style-type: none"> • Interruptible
23 August	NTSCMF	<ul style="list-style-type: none"> • Interruptible*
24 August 10:00 – 12:00	Sub Group	<ul style="list-style-type: none"> • Existing Contracts
5 September	NTSCMF	<ul style="list-style-type: none"> • Existing Contracts*
8 September 10:00 – 12:00	Sub Group	<ul style="list-style-type: none"> • Forecasted Contracted Capacity
12 September 10:00 – 12:00	Sub Group	<ul style="list-style-type: none"> • Avoiding inefficient bypass of the NTS
19 September 13:00 – 15:00	Sub Group	<ul style="list-style-type: none"> • Multipliers / Interruptible
26 September	NTSCMF	<ul style="list-style-type: none"> • Forecasted Contracted Capacity • Avoiding inefficient bypass of the NTS • Multipliers / Interruptible
28 September 10:00 – 12:00	Sub Group	<ul style="list-style-type: none"> • To be confirmed

N.B. Meetings beyond September 2017 are to be confirmed

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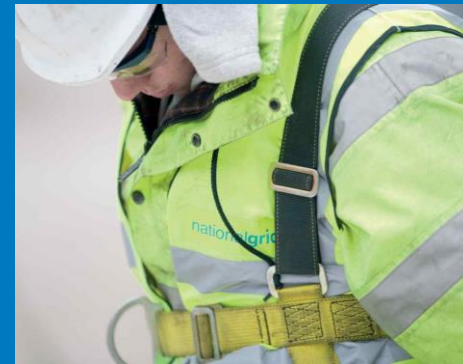
Next Steps

Gas Charging Review: Next Steps

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15 June 2017	UNC Mod Panel	<ul style="list-style-type: none"> Decision on UNC Modification(s) recommending referral to workgroup (at NTSCMF)
June onwards	NTSCMF / Sub Groups	<ul style="list-style-type: none"> Proceed with discussions and Modification development and specific topics as per discussion timetable

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