

NTSCMF - Transmission Charging Review: Issue Register (as at 1 Feb 2017)

Issue Ref.	Issue	Background	Issue Originator	Date Created	Status	Priority for Discussion (H/M/L)	Status Date	Status Summary/Action taken	Next Review
TCMF01	Derivation of Multipliers- investigate the role of multipliers in GB as a tool for meeting revenue requirements, define how they would be set (and how would they fit in with the GTCR proposal to reduce Reserve Price discounts), and investigate the implications of the relative size of any potential multipliers.	TAR NC provides for the use of a 'multiplier' which means the factor applied to the respective proportion of the reference price in order to calculate the reserve price for a non-yearly standard capacity product (Art. 3(16)). A multiplier has a dual purpose: a) To ensure that short-term products, and as a consequence short-term network users, are priced in a legitimate way in comparison to the long-term network users ensuring the timely identification of new investments in the gas networks (long-term bookings allow the TSO to predict the operation of the network under the technical requirements and to plan any upgrade of the network). b) To maintain TSOs' financial stability by minimising shortfall of revenues attributed to an excessive profiling of network users through short-term contracts.	PSE Kinsale Energy Ltd (Kieron Carroll)	28/09/16	Live	M	01/11/16	Action 0905: Issue - Derivation of Multipliers - KC to develop a paper looking at implications, with possible suggestions for alternatives/remedies. Presentation delivered at 05 Oct meeting. Action 1102: Consider options with regard to the GTCR proposal to reduce Reserve Price discounts - the purpose of multipliers was discussed at the subgroup and will be reviewed at the December NTSCMF. Latest Update: Multiplier paper (V1) published 10/1/17. V1.1 shared following NTSCMF and Jan sub group to reflect agreed position for modelling. Issue still "live" and will be revisited as the modelling develops.	06/03/17
TCMF02	Zero/no prices generated in CWD Model	If the forecast contracted capacity is Zero (or if the removal of Existing Contracts results in a zero remaining forecast), prices cannot be generated by CWD model.	NG NTS	01/11/16	Live	H	02/11/16	It is proposed that this is looked at by the modelling sub-group to agree an approach for how to generate a price in these circumstances. Recommendations will be brought to NTSCMF. Latest Update: NG to incorporate into the draft FCC paper to be published for comment.	01/02/17
TCMF03	Determining Forecasted Contracted Capacity	A view of forecasted contracted capacity will be required as an input to the reference price methodology (RPM) to determine Capacity charges. This will require the development of options and selection of a method to use in any RPM.	NG NTS	01/11/16	Live	H	02/11/16	It is proposed that this is discussed at NTSCMF and at the modelling sub-group. Options will be explored at the sub-group and fed back to NTSCMF and will require discussion at NTSCMF. Latest Update: NG to draft and share a paper on FCC	01/02/17
TCMF04	Developing a behavioural assessment framework to ascertain the responsiveness to pricing	For any changes to the charging framework there will be behavioural responses to prices need to be considered when reviewing potential impacts of methodology changes. Inputs will be needed from multiple industry parties to inform assumptions or methodologies around any responsiveness assessment.	NG NTS	01/11/16	Live	H	02/11/16	An initial discussion has been held within the subgroup to discuss options on ways to progress to get the required level of engagement. Topic discussed at December NTSCMF. Latest Update: behavioural surveys to be issued Monday 30/1/2017.	01/02/17
TCMF05	Locational Signals	The importance of Locational signals should be reviewed in order to understand if they should be retained or removed and the consequential effect of this decision on the chosen Reference Price Methodology.	NG NTS	02/11/16	Live	H	02/12/16	A one page summary of the NTSCMF position on this issue has been drafted and will be reviewed at the December Forum. Latest Update: V1 was published 10/1/17 and comments were requested from NTSCMF participants. Following Sub group on 18/1/17 V1.1 shared to reflect NTSCMF / Sub group recommendation. Recommendation: the use of the locational signals to Network Users is considered limited and not a significant factor in decision making.	01/02/17
TCMF06	Article 9 Discounts	Article 9 creates an obligation to have a discount to capacity prices of at least 50%. It also permits other discounts though they are not required. The principles should be considered when setting any discounts and we need to: (a) clarify the background and intent behind article and, (b) define the process for setting of and application of such discounts in GB)	NG NTS	02/11/16	Live	M	02/12/16	Action 1104: Article 9 Discounts (a) clarify background and intent behind article and, b) define the process for setting of and application of such discounts in GB). Action 1201: Issues List - Produce a list of the items, colour coded, with one-page summaries where appropriate (including one for entry/exit split and storage discounts), for the Sub-group to review and develop positions. Latest Update: Updated Article 9 paper following Jan NTSCMF and Jan Sub group discussion issued for comments.	01/02/17
TCMF07	Entry/Exit Split	Maintaining 50:50 is the starting point for modelling; deviation will need justification and may be a longer term consideration (e.g. next price control). Background/views/concerns/options to be captured in a one page summary report, compiled by Sub-group.	NTS CMF	06/12/16	Live	M	16/12/16	Action 1201: Issues List - Produce a list of the items, colour coded, with one-page summaries where appropriate (including one for entry/exit split and storage discounts), for the Sub-group to review and develop positions. Latest Update: NG updated paper to reflect agreed status and locked down. Recommendation that 50:50 remains the split as no compelling arguments received to amend.	01/02/17