

# 0597:

## Rules for the release of Incremental Capacity at Interconnection Points



Proposer: Malcolm Montgomery

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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).