

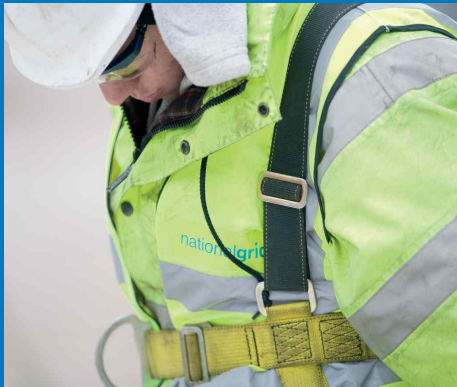
Pre Modification Discussion

Combined ASEP Mod

- Proposed Mod on treatment of capacity at combined ASEPs
 - Mod will consider introduction of different classifications of capacity at ASEPs (e.g. storage and production at Easington*)
 - It shall also consider the classification of “abandoned” capacity
- National Grid wishes to use this Mod to try a new “Rapid Mod Development” process
 - This will largely involve a more involved pre-mod process
 - This shall include a Webex in late August to discuss with industry some detailed solution options prior to a Pre-Mod Workshop that shall follow the 7 September Transmission Workgroup meeting

Note: Rough is still classified as a storage site and National Grid must treat it as such unless its classification is formally changed

European Update



3 August 2017

1. General Update

Code Status Update

Code	Current Status	Implementation date
Tariffs (TAR)	Entered into Force 6 April 2017, Mods now being raised (e.g. UNC 0621 + combined ASEP Mod)	Applicable from 6 April 2017, 1 October 2017, 31 May 2019.
Transparency (TRA)	Entered into Force 6 April 2017	Applicable from 01 October 2017, First publication end 2017
CAM amendments	Entered into Force 6 April 2017	Applicable from 6 April 2017

2. EU Code Updates

Tariff Code Update

ENTSOG Activities for remainder of 2017

- **11 October 2017**: 2nd Implementation Workshop
- Publication of revised Implementation Document. Updated to reflect feedback from stakeholders, including updated sections on:
 - Storage
 - CWD/Forecasted Contracted Capacity
 - Existing contracts
 - Publication requirements
 - Cost Allocation Assessment & justification (From ACER)

EU Gas Regulatory Change Programme

**EU Gas Change 2017 –
CAM Amendments
Operational Improvements**



**Sarah Carrington
Change, Comms & Readiness Lead**

Gemini Changes - Shipper Information

- **Four auctions for IP Quarterly Capacity replaces one auction**
- **IP Annual Yearly Auction is moving from March to July**
- **2 new reports will be available to view**
 - **Capacity versus Energy Allocation Report**
 - **Utilisation Monitoring Report**
- **Negative Implied Flow Rates (Bacton IP only)**

August 13th Implementation

- **Gemini Implementation is scheduled for Sunday 13th August**
- **All the implementation activities will now take place in the planned Gemini Maintenance Window (03:00-05:00)**
- **If you experience any system issues please use the existing Xoserve Gemini Service Desk on 0845 600 0506**
- **Please contact the NG EU Gas Regulatory Change team via email for any other issues relating to these changes**



Gemini 13th August – next steps

We will continue to communicate with the industry through in the following channels:

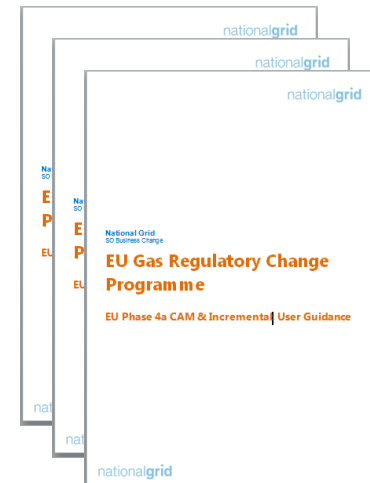
EU Gas Regulatory Change E-Mail Distribution List

MIPI

- Gemini Screen Pack has been circulated to UK Link Committee and to contacts on the NG distribution list
- User Guidance will be developed and circulated prior to go live



box.gasops.businessc@nationalgrid.com



Future Topics

Future Topics

Topic Area	Provisional Date
Tariffs Code	Monthly updates
Transparency requirements	Monthly updates
CAM Amendment	Monthly updates
Incremental	Monthly updates

Modification 0616s - Capacity Conversion

3rd August 17

Recent Activity

- 24th July – ENTSOG publishes Capacity Conversion model
- 25th July – National Grid & Xoserve begin Feasibility & Analysis workshops for EU phase 4 (2018 delivery)

Recap of Main Developments / Changes to Solution

Old > new

- Legacy > any unbundled capacity
- Must be Registered unbundled capacity holder > must hold sufficient unbundled capacity entitlements. (allows traded in capacity to be converted)
- Conversion duration must match the duration of the bundled auction product > monthly conversion(s) of capacity allowed following any long term auction
- Managing Cash flows - tbd

Managing Revenues associated with process

- Last workgroup NG stated intention to make a proposal on managing revenues
 - *The treatment of revenue is not a matter for the UNC (unless neutrality is involved), however for transparency then NG will explain how it will be managed within the modification*
 - *NG will further review the treatment of revenue, and discuss matter with Ofgem, before finalising proposal ahead of the August workgroup*
- This has been trickier than anticipated...options discussed

Scope of issue

- There are 2 parts to consider:
 - Revenue 'foregone' following the bundled auction if there is a conversion. (note: no difference if we don't collect, or if we collect and re-imburse);
 - Revenue received following the 'resale' of the converted capacity

Holding Slide

- *NG will update the slides with options & analysis for managing revenues prior to the workgroup for 616s*

AOB



Gas Demand Side Response

- We are seeking your views on whether the DSR Methodology meets the principles of National Grid's NTS Transporter Licence Special Condition (SC) 8I — 'Development and Implementation of a Demand Side Response Methodology for use after a Gas Deficit Warning'
- Consultation opened on 20th July and closes on 18th August
- The questionnaire is available at <https://www.surveymonkey.co.uk/r/CJRXYJC>
- If you prefer to respond by email please contact Debbie Brace at box.gas.market.devel@nationalgrid.com for the consultation questions to be sent to you directly
- The responses to this consultation, along with our recommendations will be sent to the Authority for a decision on 25th August

Action TR0602 – Verbal Update