# CWD Model (Version 2)



Baseline Scenario Assumptions & Output Analysis

# Baseline Scenarios

| Parameters | Transition | Enduring |
|---|---|---|
| **User Input sheet** | | |
| Gas Year | 2019/20 | 2021/22 |
| Entry FCC[1] | Obligated | Enduring Capacity Scenario[2] |
| Exit FCC[1] | Obligated | Enduring Capacity Scenario[3] |
| Exclude Existing Contracts[1] | Yes | Yes |
| Interruptible Probabilities[1] | 10% | 10% |
| Type of Adjustments | Not Applicable | Revenue adjustment |
| **Anticipated Revenue Recovery sheets (separate sheets for Entry and Exit)** | | |
| Anticipated Booking Scenario[1] | User Input Capacity Levels[4] | User Input Capacity Levels[4] |
| Capacity Denominator[1] | Anticipated Entry Capacity Bookings[5] | Anticipated Exit Capacity Bookings |
| Application of capacity adjustment to Existing Contracts[1] | Yes | Yes |
| Commodity Denominator[1] | Forecast entry Flow Levels | Not Applicable |

**N.B**. *Any selections that are not listed above are left at the default value when the model parameters are reset*

[1] These inputs are updated automatically when resetting the model parameters

[2] Entry Enduring Capacity Scenario = Historical entry flows (from previous gas year)

[3] Exit Enduring Capacity Scenario = Historical sold capacity (from previous gas year) for DN exit points and historical exit flows (from previous gas year) for all other exit points

[4] User Input Capacity levels in both Transition and Enduring replicate the enduring capacity scenario FCC

[5] Capacity revenue recovery is only applicable to Interconnection Points during the transition period

# Output analysis

- There are 2 new sheets  (titled CWD v LRMC Entry/Exit Comparison) that compare the CWD outputs against the current applicable charges (set using LRMC methodology).

  - The current charges are hard coded and the CWD outputs update automatically, based on the CWD parameters selected[6]

- There are 2 new sheets (titled Entry/Exit Price Chart) which include graphical comparisons of the current applicable charges against the CWD prices

  - The CWD outputs are updated automatically based on the CWD parameters selected when prices are calculated

  - The entries are aggregated into categories (i.e. on Exit) the prices are averaged

- There are 2 new sheets (titled Entry/Exit Revenue Chart) which include graphical comparisons of current revenues against the revenue outputs from the CWD model

  - There are entries for capacity revenues and combined revenues for both current and CWD revenues. The combined revenues include the capacity and commodity revenues summed together for relevant points[7]

***N.B** In order to ensure the tables and graphs update appropriately please press the "Refresh Pivots" button in cell D4 of the User Input sheet after calculating prices in the CWD model*

[6] The revenue figures will be calculated using the booking scenario selected in the anticipated revenue recovery sheets. The default selection is "User Input Capacity Levels" which replicates the enduring capacity scenarios

[7] The commodity revenues will be calculated using the applicable  rates and denominators (capacity for Interconnection Points and commodity for Non Interconnection Points) from the anticipated revenue recovery sheets