



Mod 0621: Interruptible Charging Proposal

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20 April 2018

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Your Gas Network

Agenda

- **Mod Proposal for Interruptible Capacity**
- **UNC TPD B 2.5 Daily Interruptible NTS Entry Capacity**
- **Daily Average Unutilised Firm Capacity**
- **Example**
- **Questions**

Mod Proposal for Interruptible Capacity

“Interruptible (Entry) and Off Peak (Exit) Capacity (see paras 3.17 to 3.18 in Section 3)

It is proposed that the Reserve Price for Interruptible Capacity at an Entry Point and Off Peak Capacity at an Exit Point is derived by application of an ex-ante discount to the Reserve Prices for the corresponding Firm capacity products (the day ahead firm price at the relevant Entry Point and the daily firm price at the relevant Exit Point).

It is proposed that when determining the level of discount applied in respect of Interruptible and Off Peak Capacity from 01 October 2019, the likelihood of interruption and the estimated economic value of the Interruptible or Off Peak capacity products are used to determine a discount value (as per Article 16 of EU Regulation 2017/460). It is further proposed to adopt a ‘banding approach’ for the period commencing 01 October 2019 and for subsequent years, such that the proposed discount value will be rounded up to the nearest 10%:

It is proposed that for the period commencing 01 October 2019 the discount applied in respect of Interruptible and Off Peak Capacity:

- at Entry Points is 10%; and*
- at Exit Points is 10%.”*

UNC TPD B 2.5 Daily Interruptible NTS Entry Capacity

TPD B 2.5.10 *For the purposes of this paragraph 2.5 the "Available Interruptible Capacity" in respect of an Aggregate System Entry Point for any Day is:*

(a) an amount of NTS Entry Capacity equal to the daily average unutilised firm capacity; and

(b) an amount of NTS Entry Capacity (if any) additional to that in (a) which National Grid NTS determines, in its sole discretion, shall be made available.

A similar arrangement exists for Exit under **TPD B 3.6 Release of Daily Off Peak Daily NTS Exit (Flat) Capacity**



Daily Average Unutilised Firm Capacity

TPD B 2.5.11 The "**daily average unutilised firm capacity**" in respect of any relevant period in relation to an Aggregate System Entry Point is an amount of NTS Entry Capacity equal to:

$$\text{AUC} / 30$$

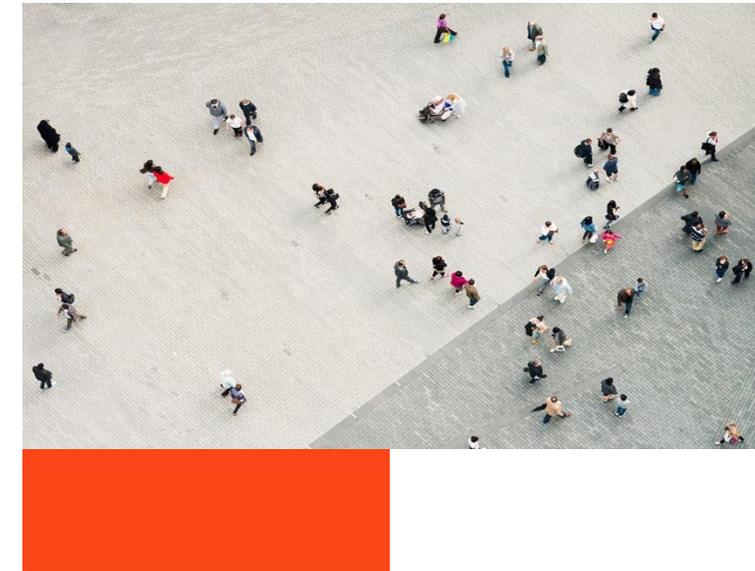
where:

AUC

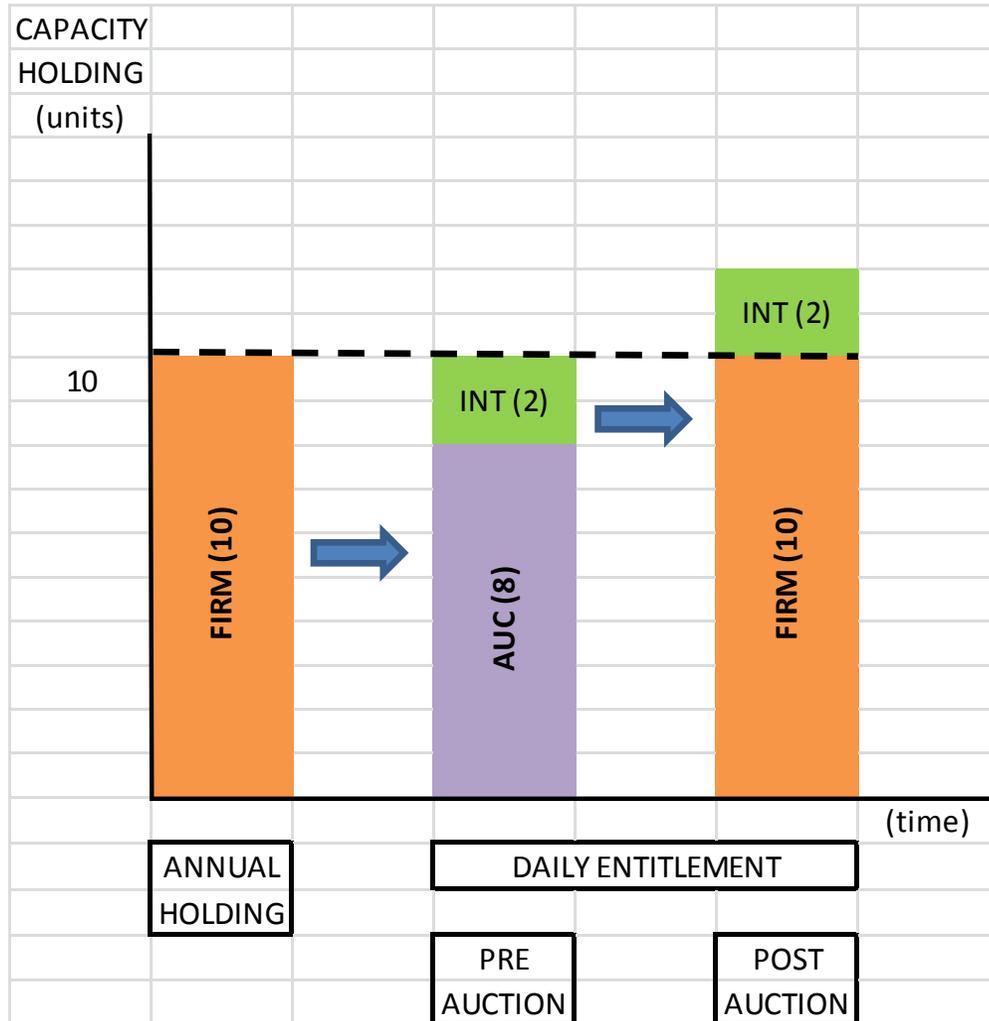
is the aggregate amount, for each relevant day, by which the Firm NTS Entry Capacity at the Aggregate System Entry Point held by Users in aggregate exceeds the sum of the Entry Point Daily Quantity Delivered for each System Entry Point comprised in the Aggregate System Entry Point

and a "**relevant day**" is each of the thirty (30) Days up to (and including) the Day falling seven (7) Days before the first Day in any relevant period and "**relevant period**" is a period of seven (7) consecutive Days.

See **TPD B 3.6.3** for Exit equivalent (Use it or Lose it (UIOLI))



Example

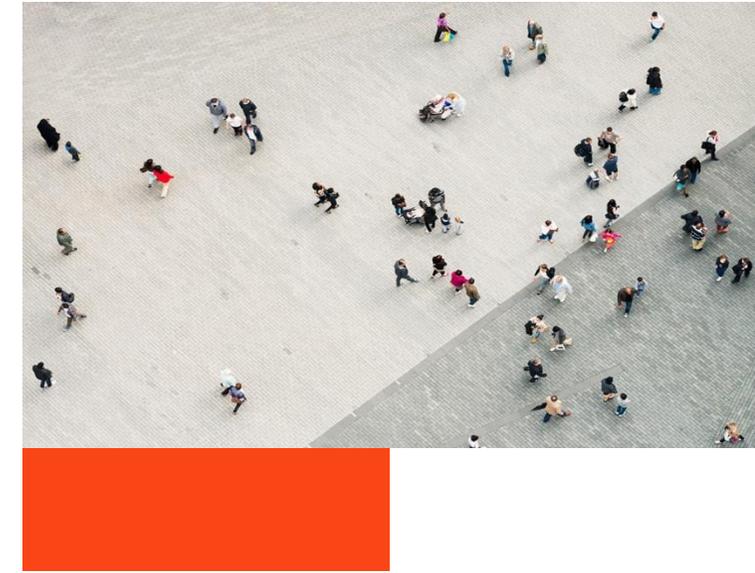


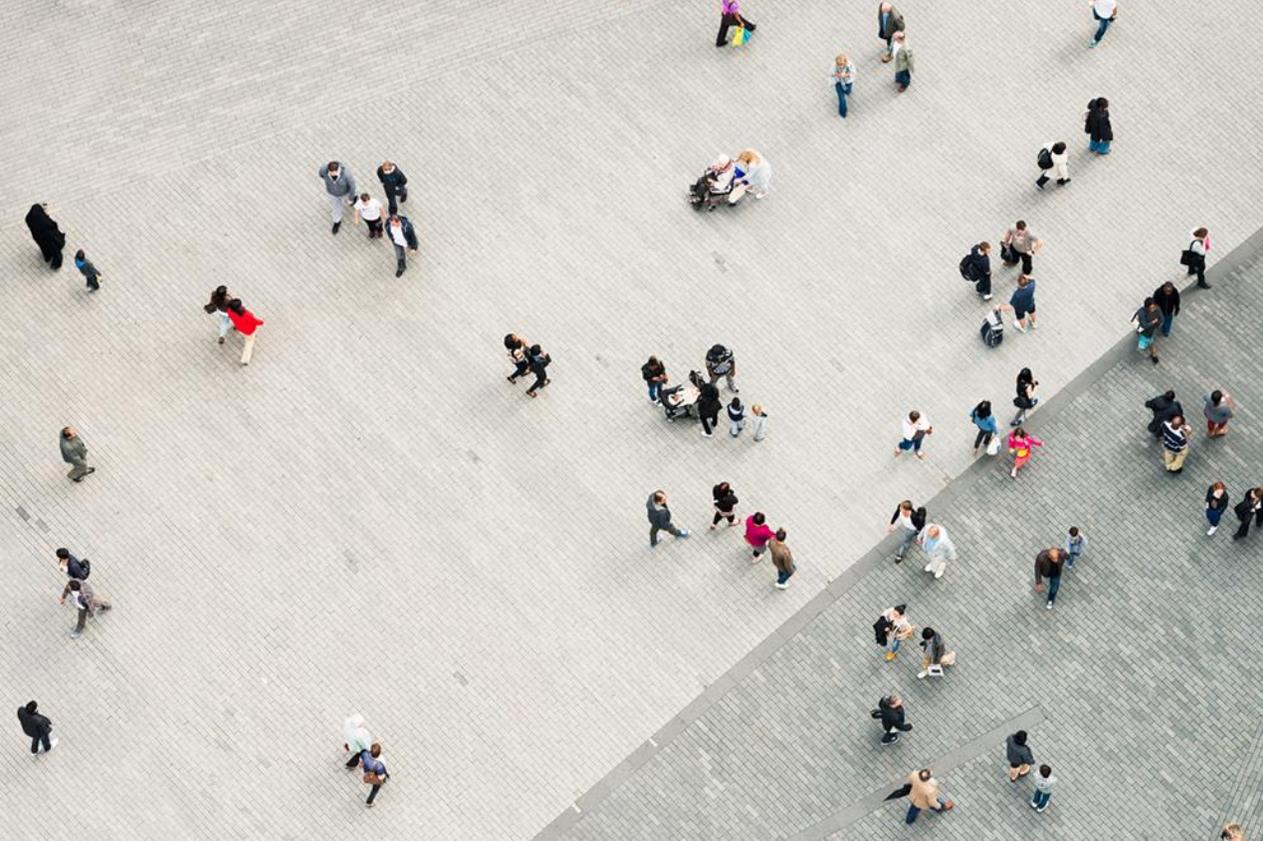
Questions for Workgroup

- **Interruptible is technically, a separate product from Daily Firm, but as Daily Average Unutilised Firm Capacity is dependent upon an Annual Firm holding, will the Proposal result in National Grid recovering revenues twice for the same capacity?**
- **Firm Annual holding** → entitlement
- **Zero Firm Annual holding** → zero entitlement

Options:

- Amend Proposal to apply 90% of Firm charge to 'discretionary' and 'MNEPOR' (under Exit) elements only
- Remove Proposal to apply 90% of Firm charge to Interruptible/Off Peak
- Raise Mod Proposal following outcome of 0621





Thank you

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