

NTS Exit (Flat) Capacity Charging Methodology

UNC Workgroup 0356 – 10th May 2011
Revenue Analysis

Introduction

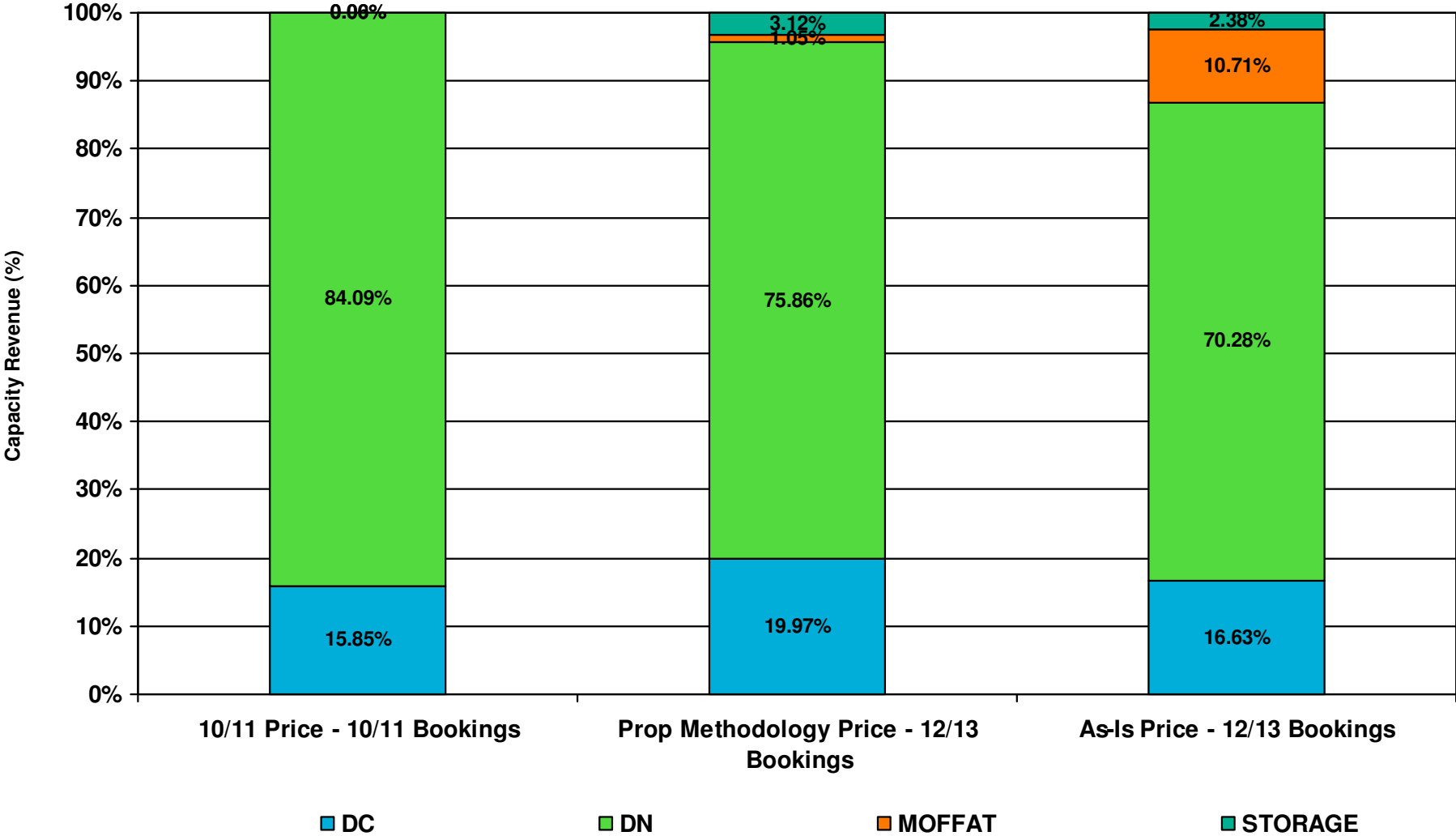
- At the 11th March 2011 UNC Modification 0356 Workgroup National Grid was asked to provide further analysis to show the current revenue contribution of different exit components compared to the prevailing methodology and National Grid's Mod 0356.

Assumptions & Approach

- Analysis
 - Two price sets
 - 'As-Is' prices (published in May 2010)
 - NG Proposed Methodology prices (UNC 0356)
 - The 2012/13 and the 2010/11 booking levels were applied to the price sets in order to generate revenue contributions.
- These were then compared to 2010/11 revenue contributions.

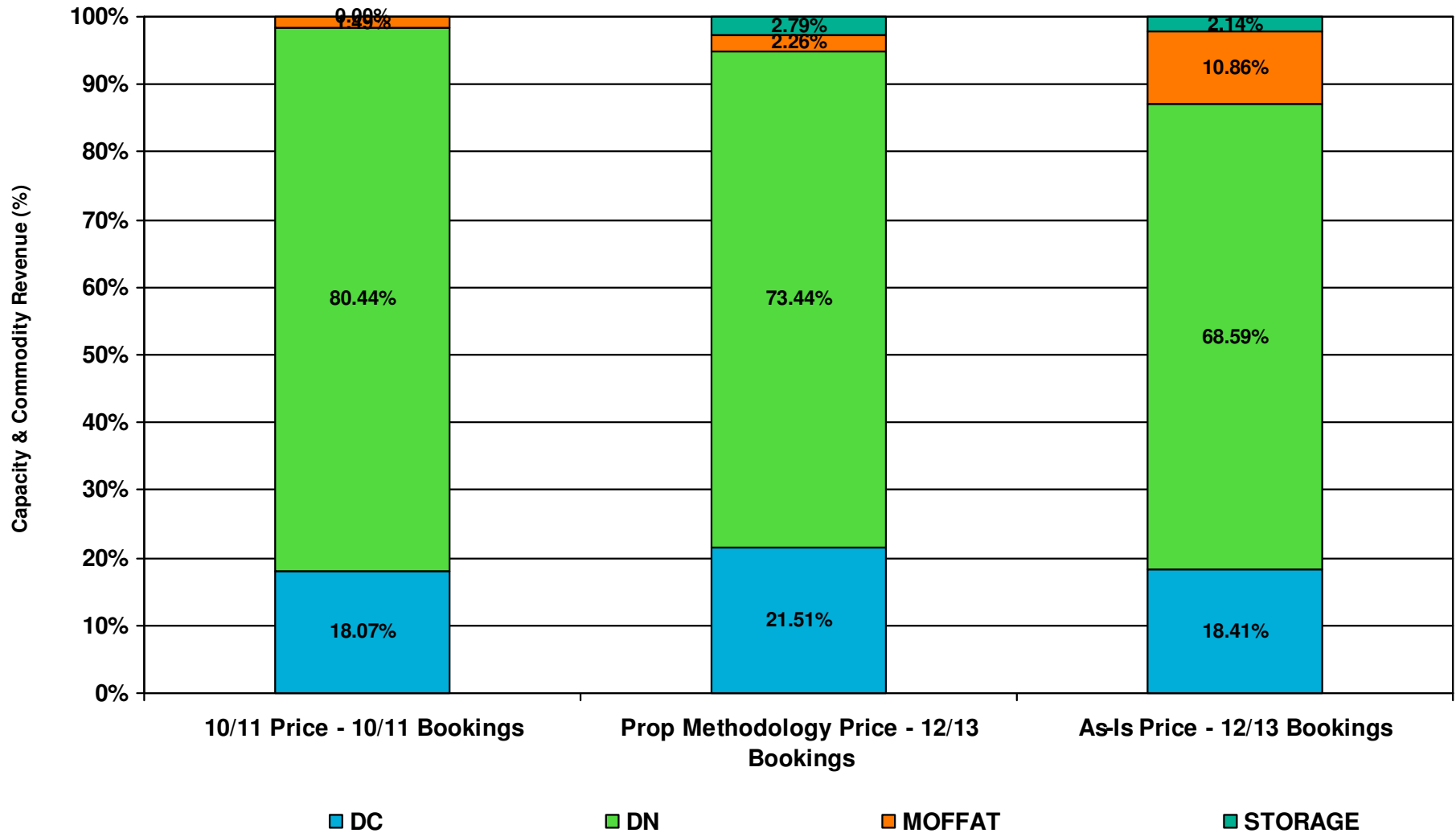
Capacity Revenues

Percentage Contribution by User Group

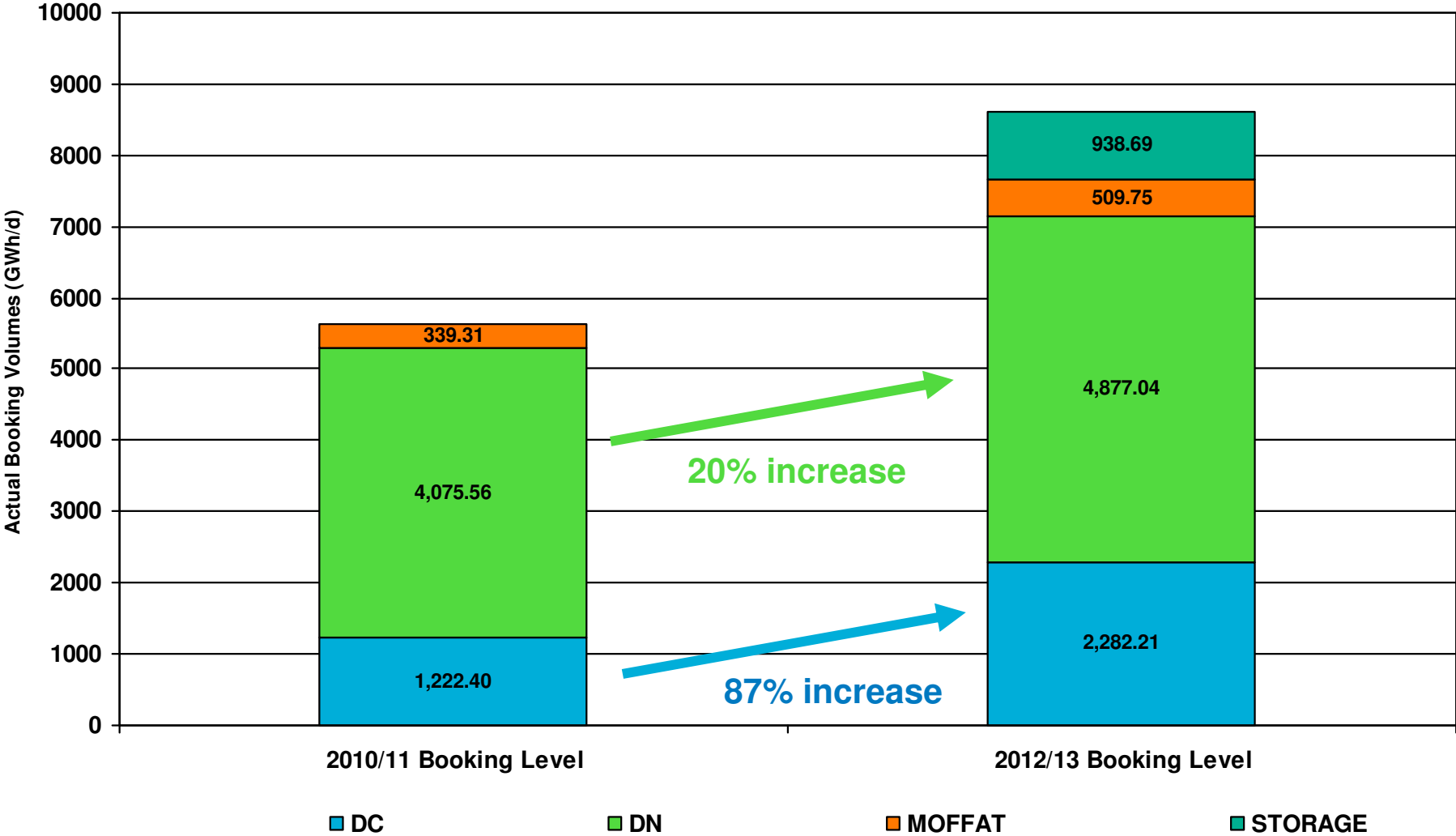


Capacity & Commodity Revenues

Percentage Contribution by User Group

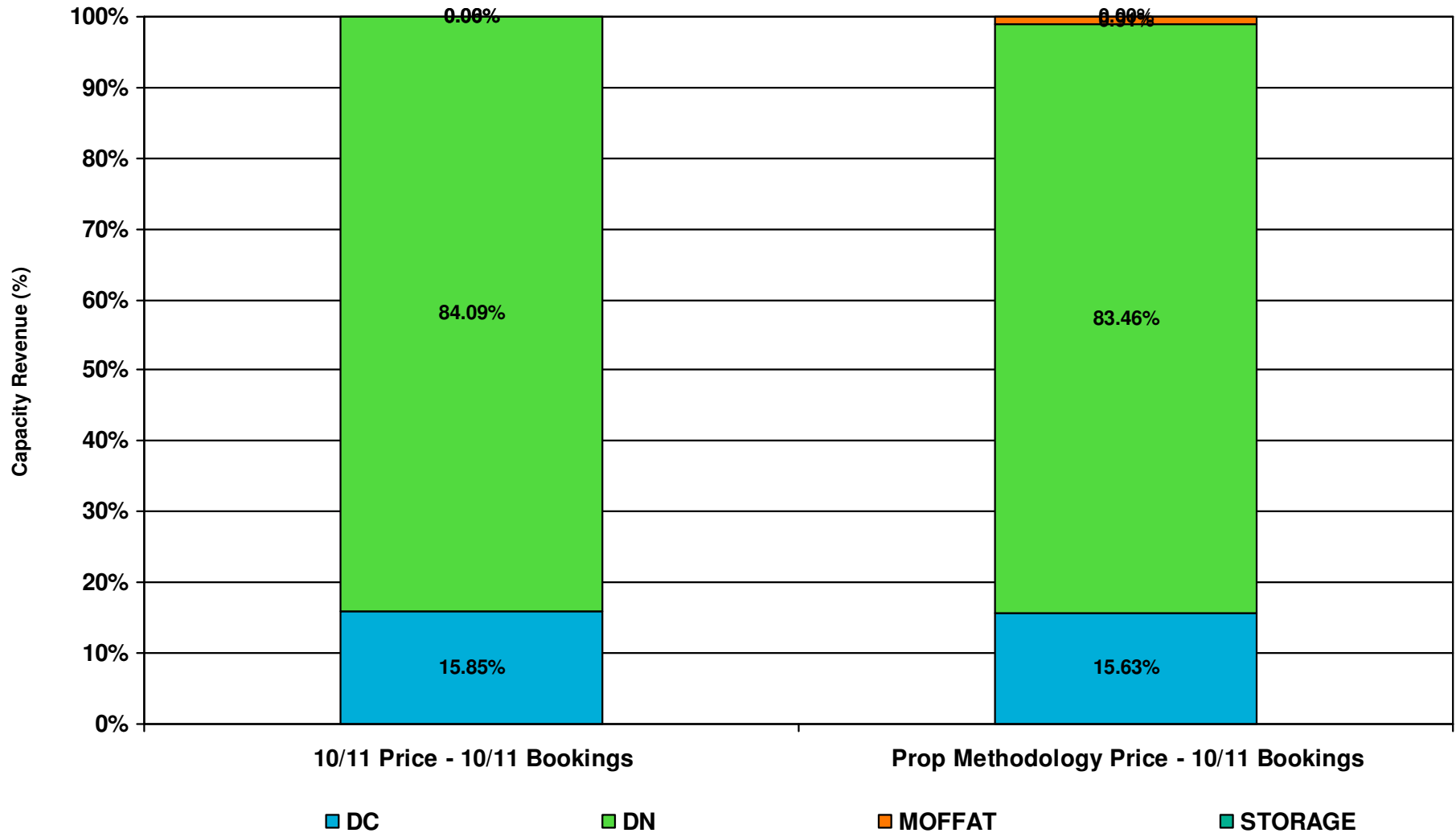


Actual Booking Volumes



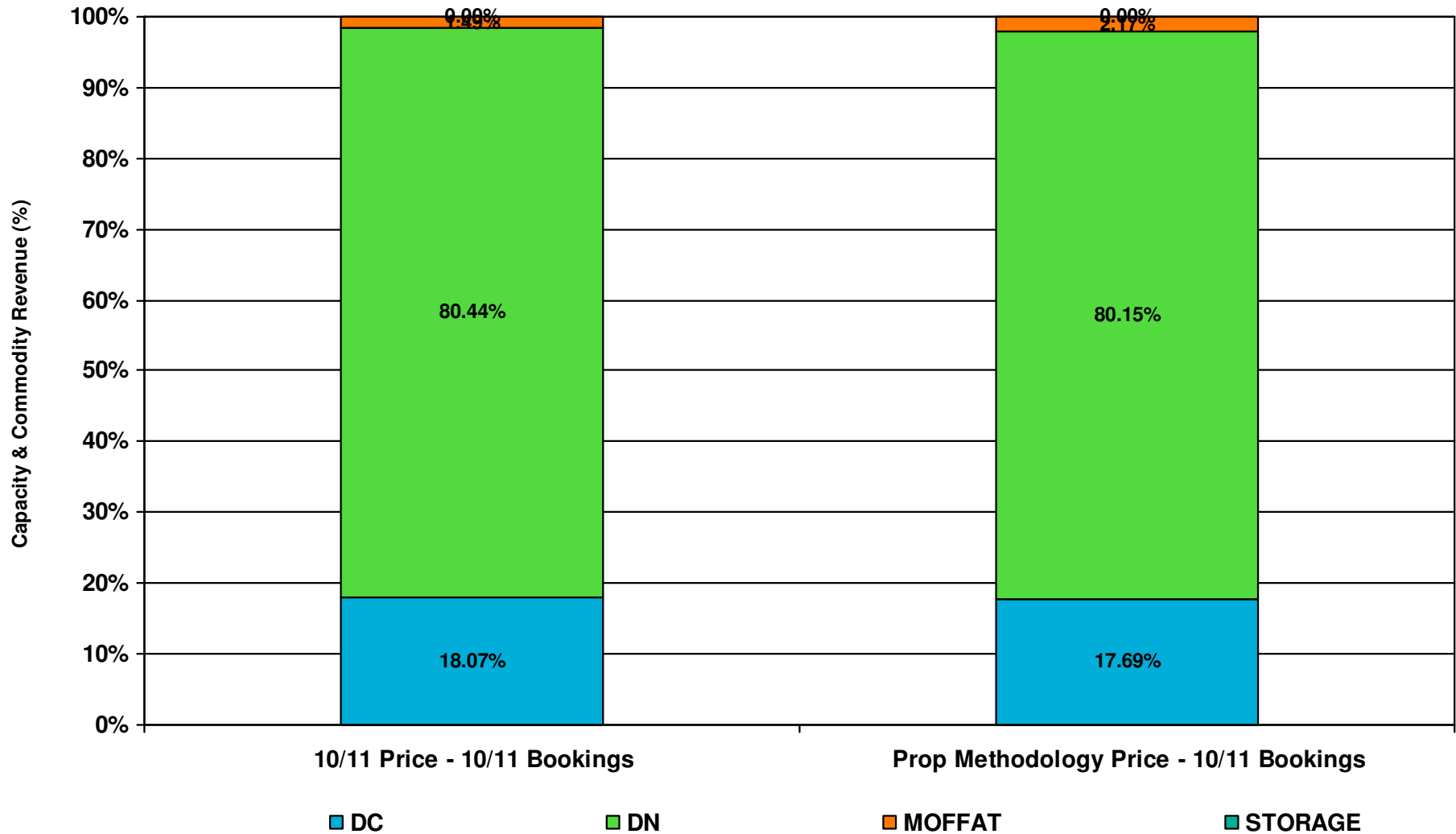
Capacity Revenues

2010/11 Prices vs Proposed Methodology Prices with the same 2010/11 booking level



Capacity & Commodity Revenues

2010/11 Prices vs Proposed Methodology Prices with the same 2010/11 booking level



National Grids Initial View

- Current 2010/11 prices are broadly similar to the proposed methodology prices for 2012/13.
- Differences in the revenue split for 2012/13 compared to 2010/11 are primarily driven by booking levels.