



UNC Review Modification 157
DCUSA Model

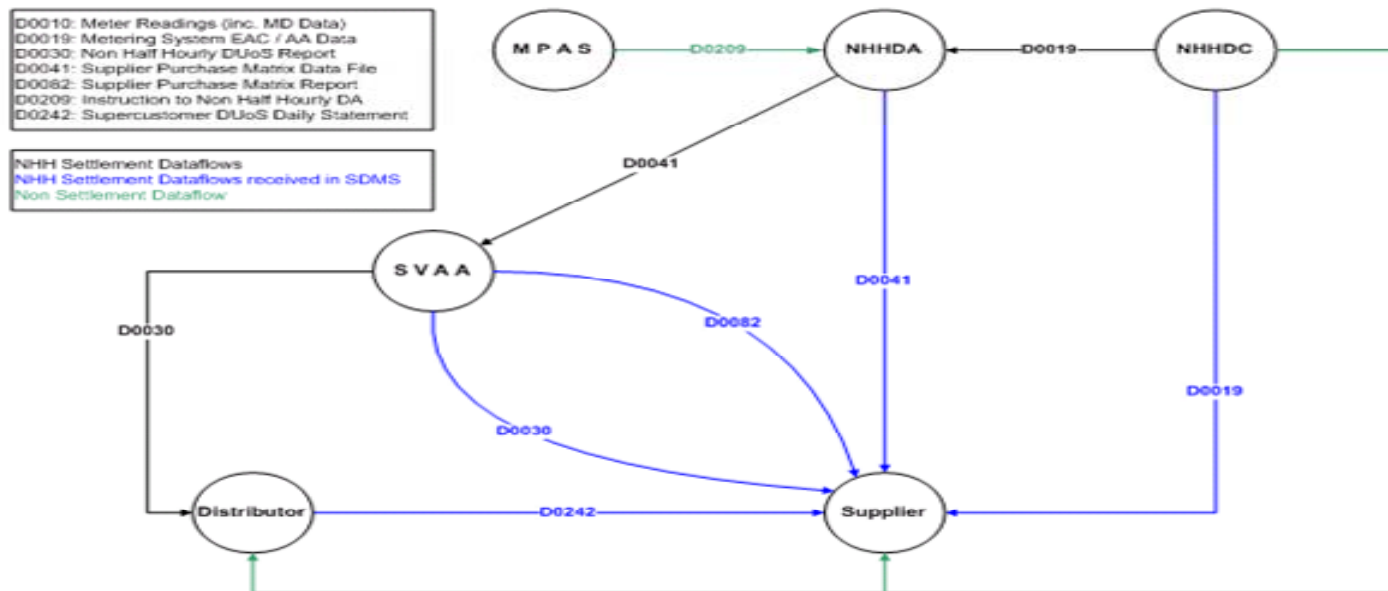
8th April 2008

The DCUSA Model

- The introduction of iDNO in the electricity sector has not resulted in the same problems for suppliers as those encountered with IGT.
- This is principally due to the initial fragmented nature of settlement functions in electricity (separate MPAS, DA, DC and SVAA) and a market design catering for multiple network businesses from the outset.
- It would be conceivable to implement a similar set of arrangements for the IGT market in gas. This would be potentially be particularly favourable for the retail supply market and consumers.

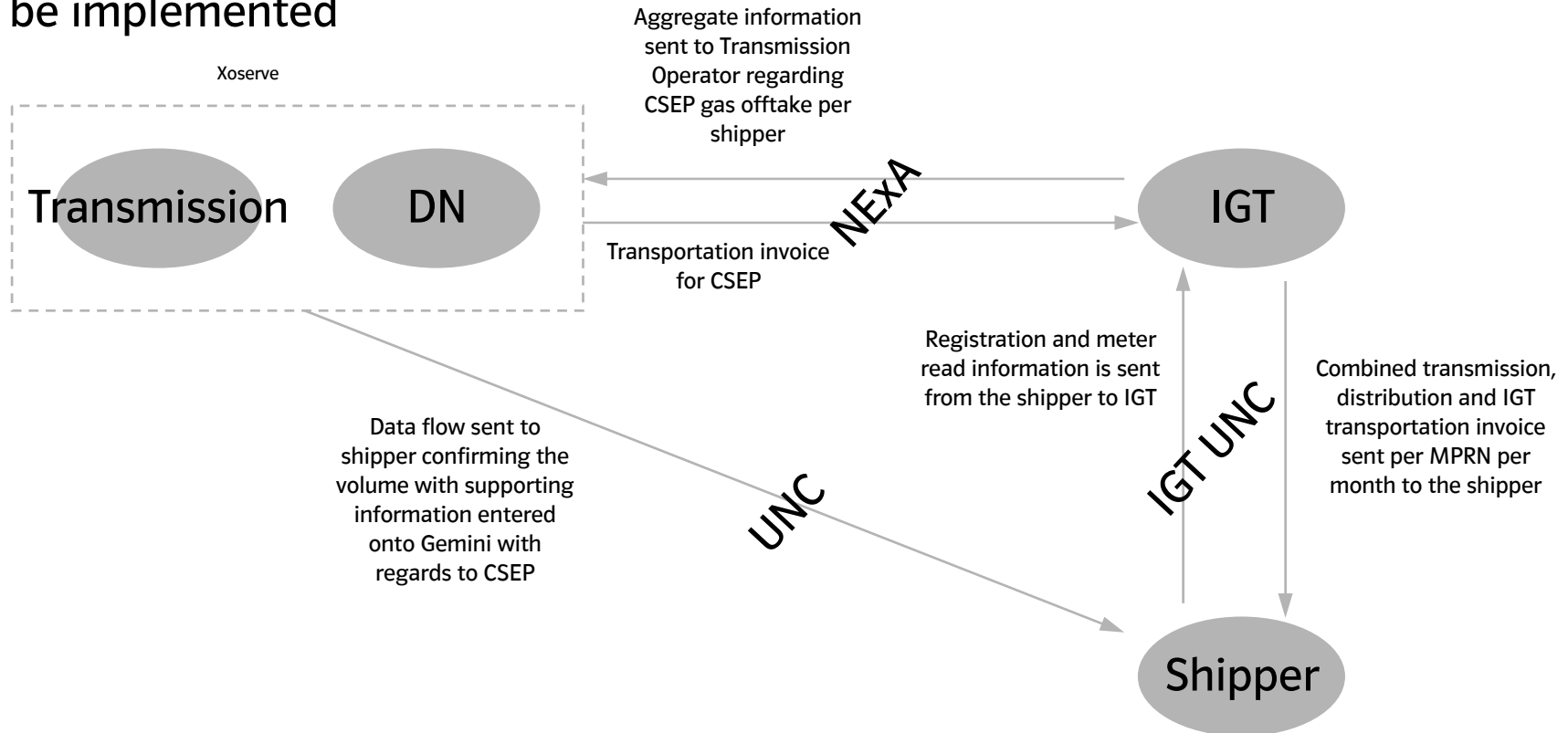
The DCUSA model

- This diagram represents how the electricity IDNO market operates for supplier billing and electricity settlements.



The DCUSA Gas Model

- The diagram below reflects how a gas model based on the DCUSA could be implemented



The DCUSA Model

- Key points:
 - The shipper receives one invoice from the IGT for transmission, distribution and IGT transportation costs at MPRN level per month. (Contractual arrangement: IGT UNC with shipper)
 - The aggregation of information for input into Gemini for gas balancing could be carried out by either the IGT or the transmission operators agent; relevant information would be passed to the shipper in order to carry out validation (Contractual arrangement:: UNC with shipper)
 - The transmission and distribution businesses would invoice the IGT for the transportation costs associated with the supply of gas to their CSEPs. (Contractual arrangement: DN NExA with IGT)