

Draft UNC Mod proposal – NTS Cost Information

Presented to UNC Transmission Workgroup 1.12.16

DN Information Provision

- Modification UNC 0186 requires the GDNs to provide a forecast view of their costs over a 5 year period.
- A standardised report is provided by each DN quarterly which sets out the forecast of their costs for the coming 5 years.
- Review of the forecasts takes place in the DNCMF workgroups, and as the reporting has evolved the transparency has helped shippers to better forecast future costs with a higher degree of certainty, such that the amount of queries or debate has greatly reduced over time, making the meetings more efficient.

Draft Modification for NTS equivalent reporting

- This Proposal seeks to put in place a requirement on NGGT to publish biannual forecasts of the detailed information Shippers require about the core elements of the Gas Transmission price control.
- The report will include entries for all of the main inputs which go into the calculation of the TO and SO allowed revenues for each of the next five years.
- This should reduce the level of risk premia that Shippers build into their forecasts of transmission costs.
- Reports to be provided in June and December.

Issues for Workgroup Consideration

- Review of Existing Reports and timetables
- Conformity with other obligations to publish information, such as the EU TAR NC
- Forecast impacts as we bridge Price Control Periods.