

Negative Implied Flow Rates (NIFR) Update

Transmission Workgroup

2nd June 2016

NIFR

- National Grid NTS is continuing to investigate the issues associated with the NIFR rule
- In doing so we are:
 - Engaging with GNI(UK) about a potential amendment to the matching rule at Moffat. Assessing the interactions of NIFR on other areas
 - Operational planning
 - Network flexibility
 - Capacity regime

Request for information letters

- Letters were issued by National Grid NTS to some shippers in accordance with UNC TPD Section C 4.3.2
- 21 letters issued; 16 responses received
- We would like to thank those shippers who responded to this request for information
- The main reasons for shippers requesting a downward renomination that breached the NIFR rule were:
 - Beach trades reducing entry nominations
 - Reduction in production due to gas field/terminal restrictions
 - Power station trips
 - Large offtakes reducing gas demand

Way Forward

- We remain of the view that that the current arrangements around the NIFR rule are not a desirable enduring state
- We therefore remain committed to working with the industry to find an acceptable way forward