

## Annual Review - Methodology Statements



Transmission Workgroup 3<sup>rd</sup> November 2011

# ExCR – Exit Capacity Release

# ExCS – Exit Capacity Substitution

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- National Grid is required to review the ExCR and ExCS methodologies each year
- The annual review of these methodologies will commence in November 2011
- National Grid requests that any issues with the methodologies which may require review and revision to the statement(s) are notified to National Grid via email by 24th November 2011
  - Issues to be sent via email to [mark.j.lyndon@uk.ngrid.com](mailto:mark.j.lyndon@uk.ngrid.com)
  - Formal consultation on any proposed changes to the ExCR Methodology Statement will begin approx February 2012
  - Formal consultation on any proposed changes to the ExCS Methodology Statement will begin approx March 2012

## Substantive Issues to review

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- One substantive issue raised as part of ExCR consultation Feb 2011 and at September Transmission Workgroup:
  - Relates to whether a User should be able to reduce its enduring capacity allocation if the User Commitment Amount is satisfied within the minimum User Commitment duration (14 months). This could arise where actual Exit Capacity prices are significantly higher than the indicative price.
- One substantive Issue raised in respect of the ExCS
  - On 31<sup>st</sup> March 2011 the Authority approved the proposed ExCS methodology statement and included a requirement to exclude Interconnectors from substitution for 2011.
  - However Ofgem requested that National Grid work with adjacent TSOs to identify alternative proposals (if any) for defining substitutable capacity at interconnectors.
- National Grid is currently working on proposals for these two issues.