Chris Gumbley Gas Auctions Energy Operations

Chris.Gumbley@uk.ngrid.com

Direct tel +44 (0)1926 65 4071 Direct fax +44 (0)1926 65 6612

www.nationalgrid.com

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Quarterly System Entry Capacity (QSEC) Auction Notification

Dear Colleague,

National Grid Gas would like to draw your attention to an issue that has been identified regarding the Stability Group as published in Demand Driven Price (DDP) report within Gemini. For some quarters this has been calculated incorrectly following yesterdays bid window, the discrepancies have arisen due to a minor code fix implemented earlier this year.

Due to these discrepancies I would like to inform users that the DDP report within Gemini should not be used as an indication of the stability groups and Users should refer to the **correct** stability report published in comma separated variable (csv) format on our website which can be accessed through the following URL:

http://www.nationalgrid.com/uk/Gas/Data/CA/reports/Long+Term+System+Entry+Capacity+%28 LTSEC%29.htm.

Please note the 'download' link on the right hand side of the page next to the report will provide the csv report. National Grid will also publish via ANS messages what the count of Stability Group is following each bid window.

Users are reminded of the fact that the Stability Group as defined in the UNC B2.2.17 is not and has never been intended to be in anyway an indication of the potential allocations. Any allocations should and will be calculated once the Incremental Entry Capacity Release (IECR) methodology has been applied. For the avoidance of doubt allocations will not be impacted.

In addition I would also like to inform users that an updated version of the IECR Model can now be found on the National Grid website by using the following URL: <u>http://www.nationalgrid.com/uk/Gas/Charges/statements/</u>

The model has been amended to more effectively illustrate the quarters where the release of obligated incremental entry capacity at a new ASEP, e.g. Caythorpe, can be released from the 36 month lead-time as published in the QSEC invitation letter issued on 18th August.

We apologise for any inconveniences caused and if you have any enquiries regarding this matter please do not hesitate to contact either myself on 01926 654071, Dave Wagstaff on 01926 654045 or Kay Haycock on 01926 655342 or via email at <u>capacityauctions@uk.ngrid.com</u>

Yours sincerely

Chris Gumbley

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