

Workgroup Terms of Reference

Modification 0356 – Demand Data for the NTS Exit (Flat) Capacity Charges Methodology

Workgroup Report to Panel Meeting: 21 July 2011

Date referred from Panel: 20 January 2011

Background – Why Change?

A supply and demand match is required within the NTS charging Transportation Model, which is used for NTS capacity charge setting purposes. Increases in the obligated level of NTS Exit (Flat) Capacity and reductions in the level of NTS available supplies have resulted in an unworkable charging methodology as the aggregate obligated NTS Exit (Flat) Capacity level (at non bi-directional sites) is greater than the available NTS Supplies.

Solution

It is proposed that the Workgroup consider all options put forward for delivering balanced supply and demand within the charging model. National Grid NTS has proposed that;

- For bi-directional sites the modelled demand will be the undiversified NTS forecast 1-in-20 peak day demand.
- For bi-directional sites with physical entry capability (storage, IUK, and BBL) the forecast is zero.
- For bi-directional sites with no physical entry capability (Moffat) the forecast is the undiversified NTS forecast 1-in-20 peak day demand.
- For DN offtakes, the modelled demand will be the undiversified NTS forecast 1-in-20 peak day demand for the DN, and will be prorated to the relevant DN offtakes based on the booked NTS Exit (Flat) Capacity.
- For other directly connected (DC) offtakes (NTS Power Generation & Industrials) the forecast will be the obligated (baseline plus incremental) capacity level other than where DC sites have not been commissioned or have been decommissioned.

Topics for Discussion

For the modification and any alternatives which are brought forward, assessment of:

- representations submitted in respect of the modification.
- impacts of implementation.
- implications if the proposed May implementation date is not achieved.
- consequential changes to the UNC TPD to ensure data visibility
- legal text.
- implementation costs.

Outputs

Produce a Workgroup Report for submission to the Modification Panel, containing the assessment and recommendations of the Workgroup.

Composition of Workgroup

This Workgroup will be open to any party that wishes to attend or participate.

A Workgroup meeting will be quorate provided at least two Transporter and two User representatives are present.

Meeting Arrangements

- Meetings will be administered by the Joint Office and conducted in accordance with the Code Administration Code of Practice
- Unless attendees request otherwise meetings will be scheduled on a monthly basis