

Supporting Slides for UNC modification 597

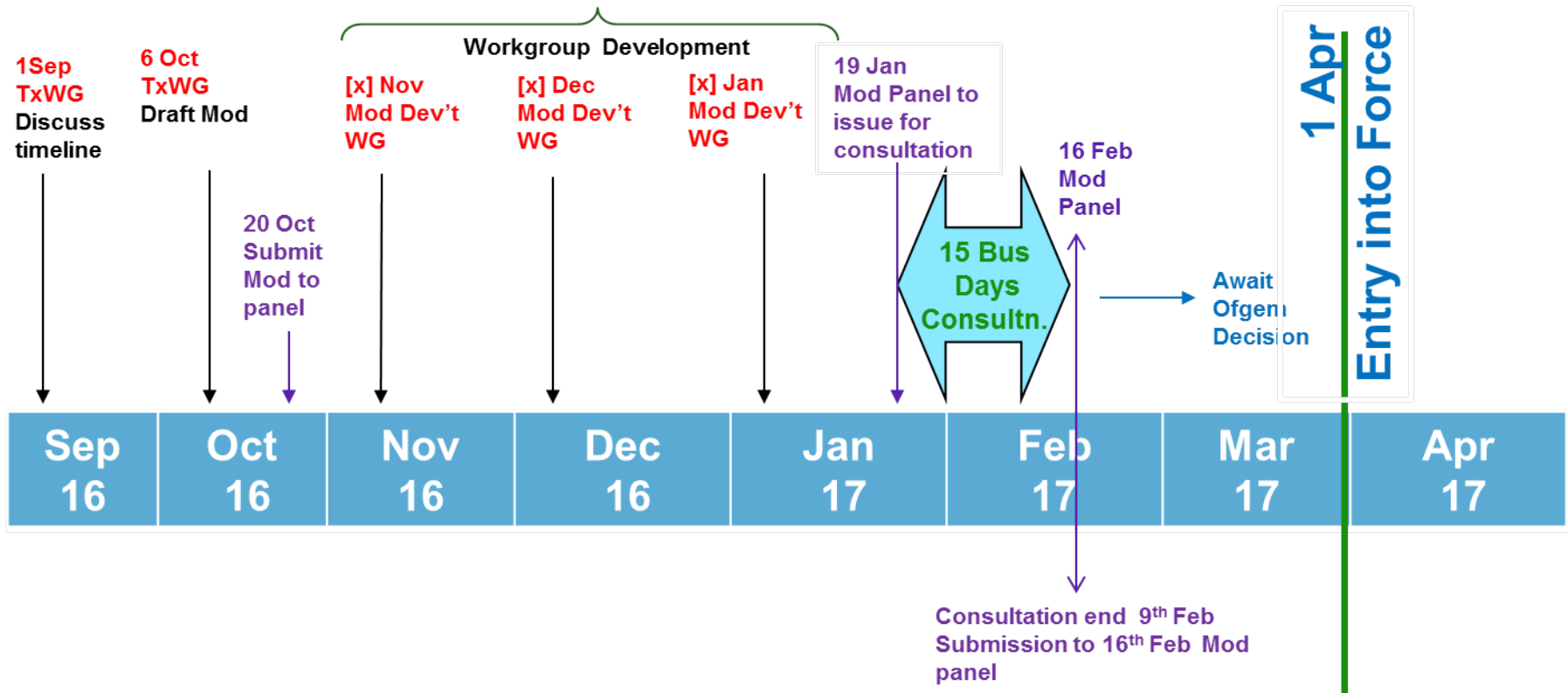
WG 1

15th November 2016

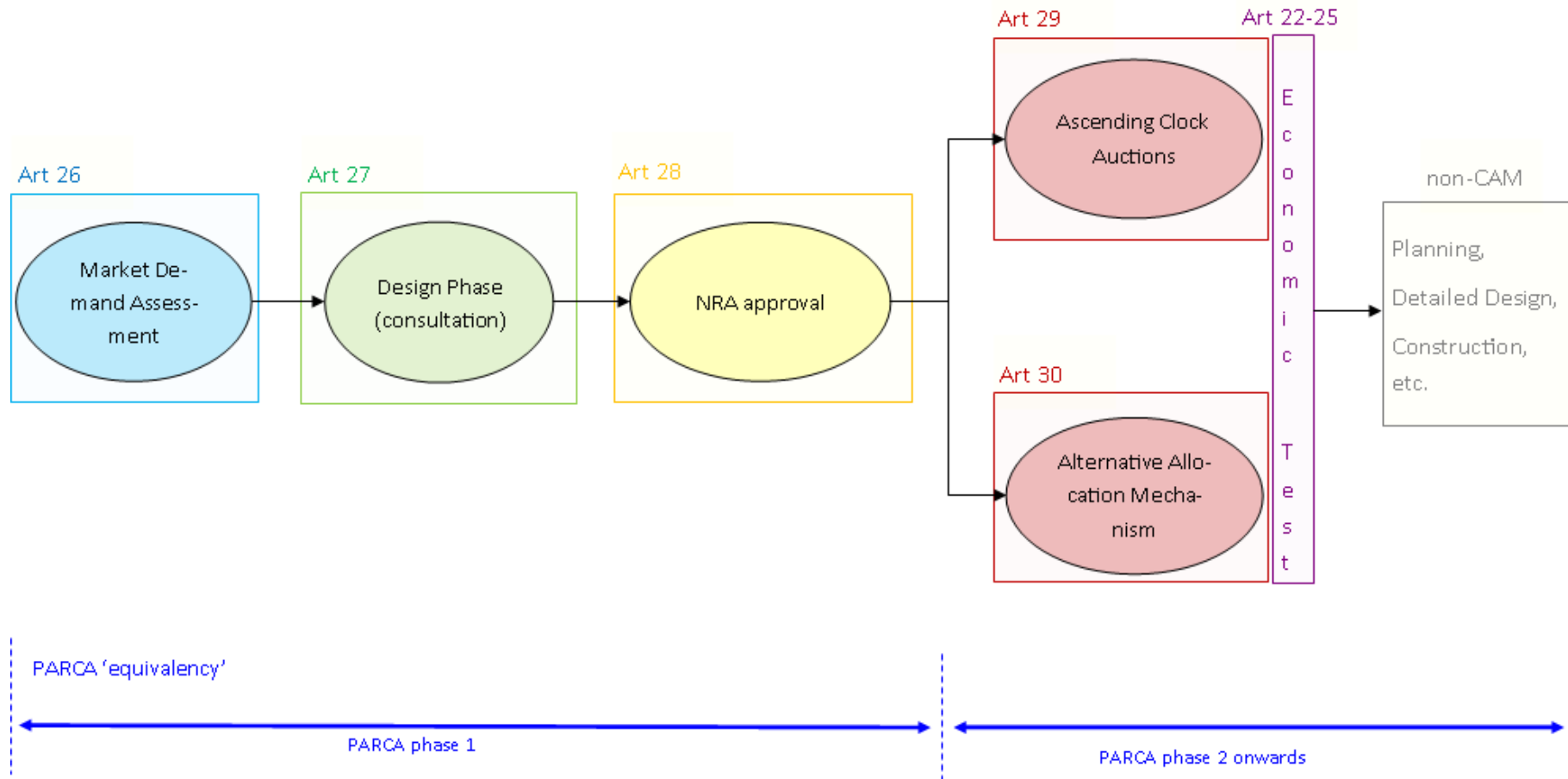
Agenda

- WG1 (*time depending*)
- High level end to end run through.
- Closer look at demand assessment process.
- Closer look at Consultation, Project Proposal & Joint Notice requirements.
- Commercial Framework (what is in mod, what' s not).
- Future WGs
- Worked Example.
- Closer look at auctions, alternative allocation & economic test.
- Legal Text

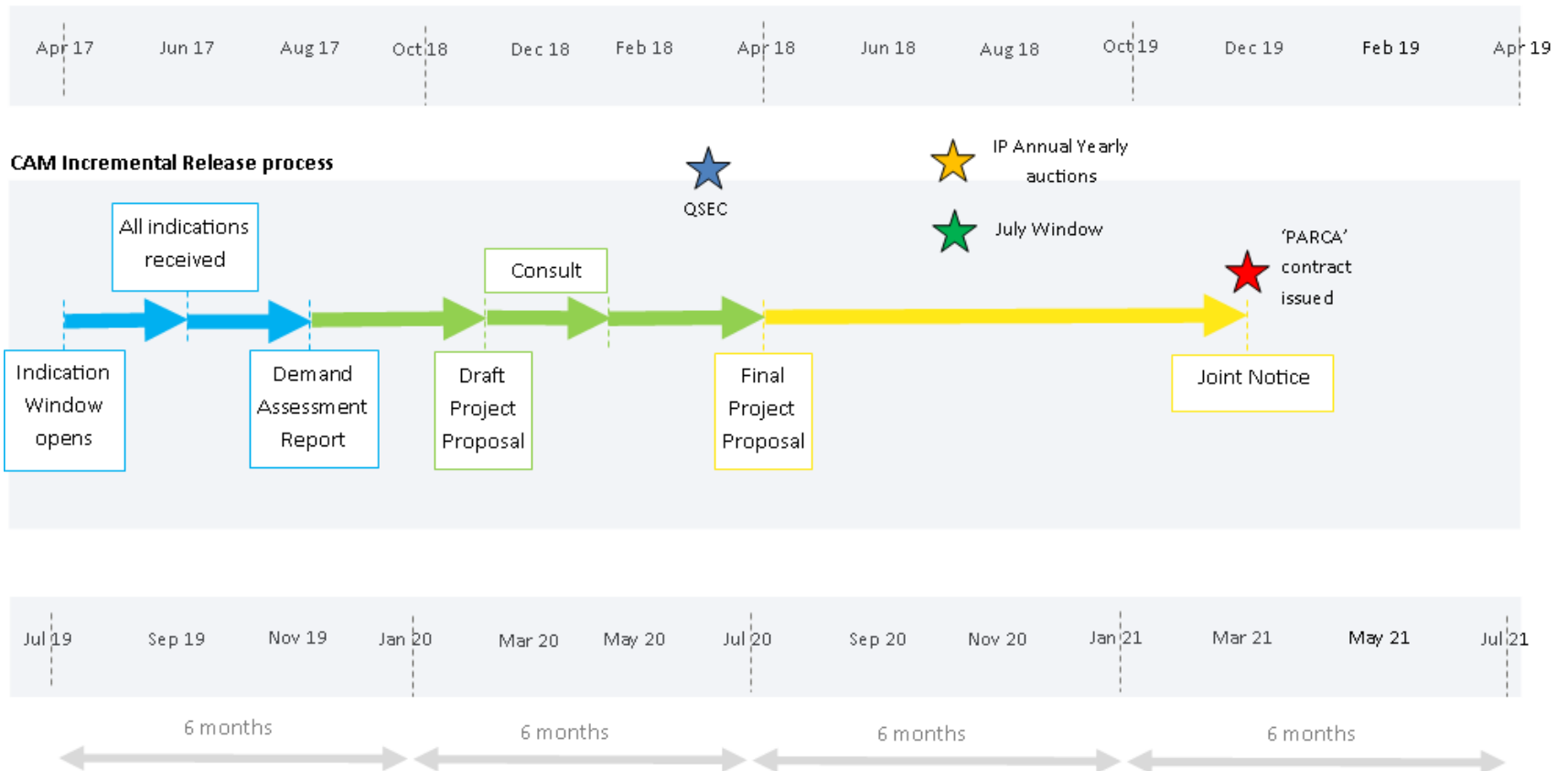
Implementation Timeline



High Level steps in the CAM process



Pre-Allocation Timeline



- ➔ Demand Assessment
- ➔ Design Phase
- ➔ NRA Approval

PARCA phase 1 comparison to CAM

PARCA approach	Months	Months	CAM approach
Open Season			Biennial (NG will facilitate open-season)
PARCA Application & Application Window	≈ < 2	2	Demand Indications
Competency check (Fee)			Fees may be applied. NG will continue Competency check.
Fees will be reconciled			Fees must be returned if Economic Test is passed. Fees will be reconciled if kept.
Various Ph 1 publishing		4	Demand Assessment Report
Ph 1 Works (Design Studies)	<6	4-7	Design Studies
Phase 1 Works Report	6	7 - 9	Consultation (1-2 months)
Phase 1 Works Report	6	10-12	Joint Project Proposal
Phase 1 Works Report	6	12-18	NRA approval for Project Proposal (case by case)

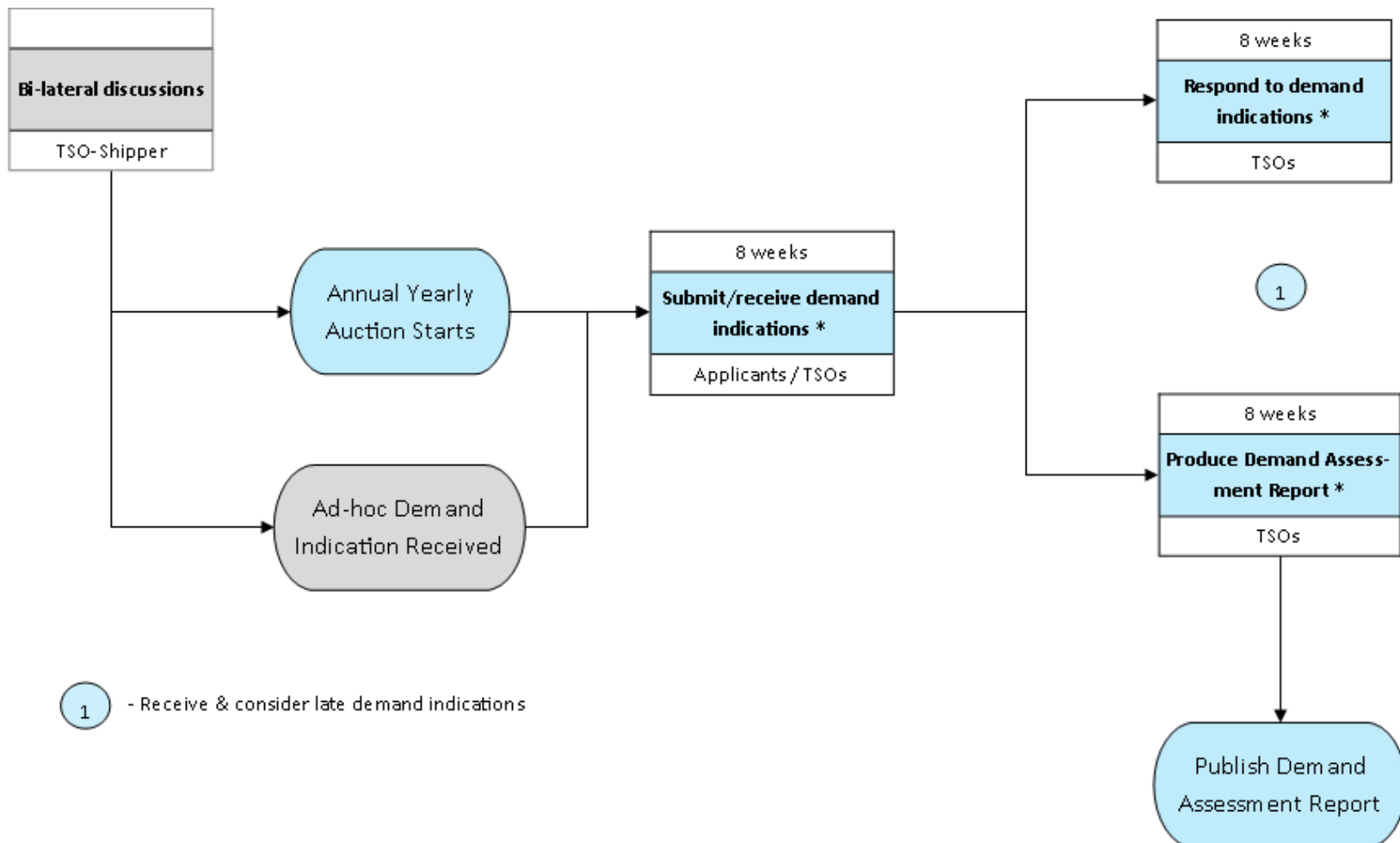
Demand Assessment – closer look

- **Competency** to be applied to demand indications.
- **Ad-hoc process** for submitting demand indications to be facilitated.
- **Conditional** demand indications may be submitted.
- Role of **ENTSOG** to be clarified.
- **Walkthrough** modification rules on Demand Assessment.

Demand Indication Fee

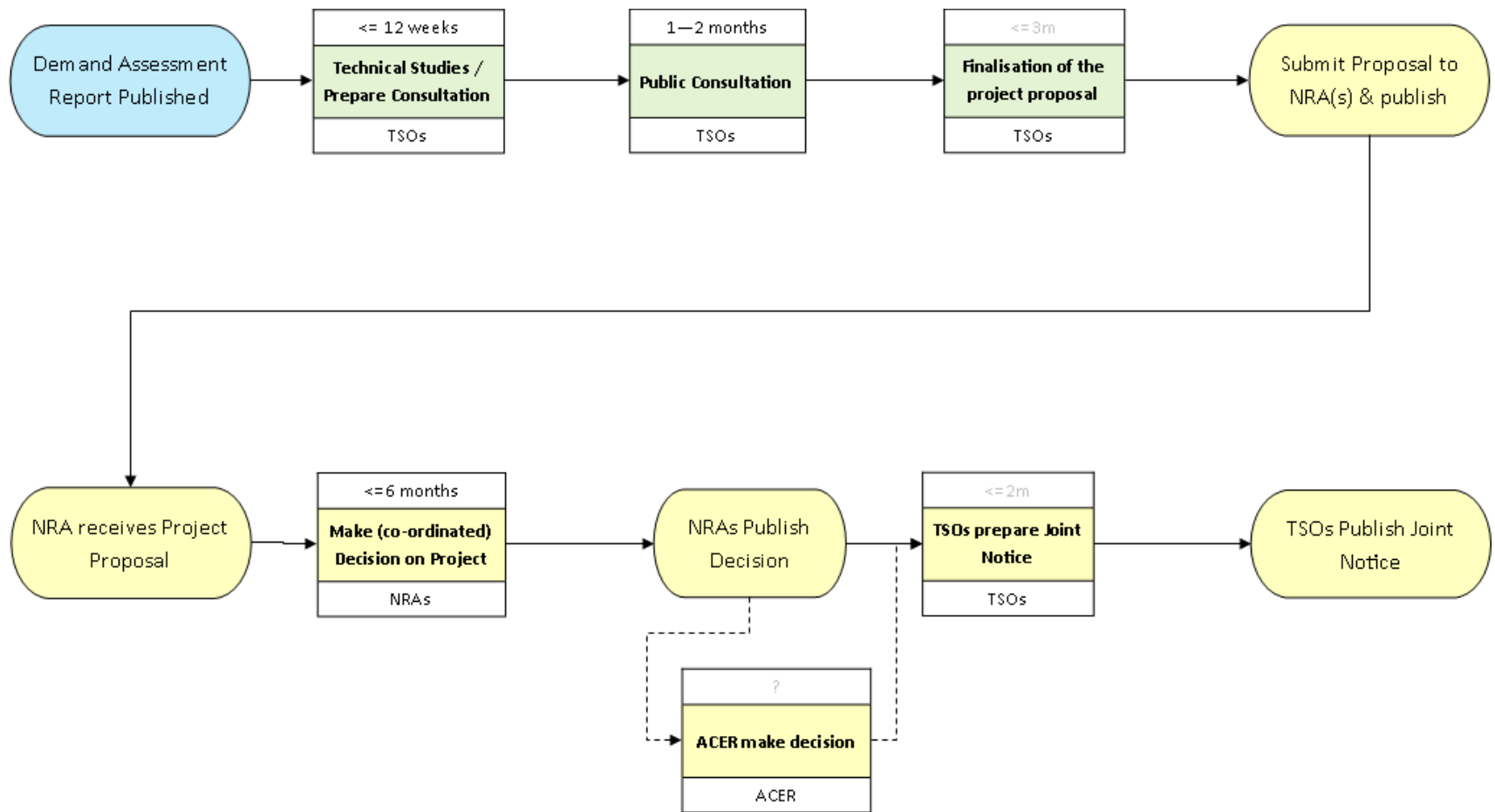
- A demand indication fee will be applied.
 - Payment is required to achieve Competency.
- This is equivalent to the current PARCA Application Fee
 - Will fund design studies in a user pays manner.
 - Value to be the same.
 - To be reconciled against actual costs if retained.
- The fee will be returned if:
 - The project does not progress to the Design phase.
 - The Economic Test is successfully passed.

Closer Look at Demand Assessment



Refer to UNC modification text for further detail.

Closer Look at Design & NRA approval phases



Refer to UNC modification text for further detail.

Commercial Framework

Phase	Task/Output	Rules	Other impact
Demand Assessment	Demand Indications (inc. ad-hoc process)	UNC	
Demand Assessment	Demand Indication Fee	UNC	Licence and/or GRD Methodology
Demand Assessment	Demand Assessment Report	UNC	
Design Phase	Requirements for Consultation	UNC	
NRA Approval	Requirements for Project Proposal	UNC	
NRA Approval	Requirements for Joint Notice	UNC + PARCA	
Allocation	Methodology: Auctions or Alternative	Project Proposal	Licence? (e.g. lead time definition)
Economic Test	Methodology	Capacity Methodology	