Supporting Slides for UNC modification 597

WG 4

20th December 2016

national**grid**

Agenda

- WG4
    - Actions
    - Mod updates
    - Legal text

PARCA Security Amount (PSA)

- Total PARCA Security Amount (£) =

  - (PSAex /100) x Qex x 365

  - (PSAen / 100) x Qen x 365

- 365 days worth of (the maximum amount of) capacity is used to calculate security deposit, regardless of how many years worth of incremental capacity is reserved.

- The number of years asked for does not have an impact on the security deposit calculation.

Discussion on current PSA calculation

- There will continue to be a single PSA for Entry and for Exit. (There will not be an IP specific PSA).

  - Entry IPs will use the Entry PSA

  - Exit IPs will use the Exit PSA

- Under the current calculation then Enduring Annual & Annual exit capacity sales at IPs already feed in to the Exit PSA, and QSEC & MSEC capacity sales at an IP already feed in to the Entry PSA.

- What is missing from the current weighted average calculation is any new (post CAM) long term sales at IPs.

Proposed update to PSA calculation

- Proposal: Amend the PSA calculations for entry and exit to include any new Annual Yearly sales at IPs in the weighted average price.

- The materiality of the change is currently negligible but may grow with time.

Commercial Framework

Phase	Task/Output	Rules	Other impact
Demand Assessment	Demand Indications (inc. ad-hoc process)	UNC	
Demand Assessment	Demand Indication Fee	UNC	Licence
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 if auctions]
Economic Test	Methodology	Capacity Methodology	