

UNC Modification 0621 and Alternates: Comparison of Key Elements

Component	Element	0621		0621A		0621B		0621C	
		National Grid	National Grid	Storergy	Storergy	SSE	Wales and West Utilities		
Capacity Reference Price	Reference Price Methodology (Interim)	Capacity Weighted Distance	-	Capacity Weighted Distance		Capacity Weighted Distance		Capacity Weighted Distance	
	Reference Price Methodology (Enduring)	Capacity Weighted Distance with adjustment to minimise Revenue Recovery	-	Capacity Weighted Distance with adjustment to minimise Revenue Recovery		Capacity Weighted Distance with adjustment to minimise Revenue Recovery		Capacity Weighted Distance with adjustment to minimise Revenue Recovery	
Forecasted Contracted Capacity (FCC)	Interim arrangements	Obligated capacity for first 2 years?	Yes	Obligated capacity for first 2 years		None		Obligated capacity for first 2 years	
	Enduring arrangements	FCC Enduring - National Grid Forecast?	Yes	National Grid Forecast		Obligated capacity		National Grid Forecast	
Reserve Price - Firm and Interruptible	Multiplier (Annual Capacity Product)	Multipliers - All Products Year 1 1.0?	1.0 for year 1	Yes	1.0 for year 1	1.0 for year 1		1.0 for year 1	
	Multiplier (Quarterly Capacity Product)	Remove	1.0 for year 1		1.0 for year 1	1.0 for year 1		1.0 for year 1	
	Multiplier (Monthly Capacity Product)	Remove	1.0 for year 1		1.0 for year 1	1.0 for year 1		1.0 for year 1	
	Multiplier (Daily Capacity Product)	Remove	1.0 for year 1		1.0 for year 1	1.0 for year 1		1.0 for year 1	
	Multipliers from year 2 onwards	Multipliers - All Products Year 2 Annual Consultation?	Subject to annual consultation	Yes	Subject to annual consultation		Subject to annual consultation		Subject to annual consultation
	Interruptible / Off-peak adjustment (entry)	Interruptible / Off-peak adjustment (entry and exit) Year 1 10%?	10% discount for year 1	Yes	10% discount for year 1		10% discount for year 1		10% discount for year 1
Interruptible / Off-peak adjustment (exit)	Remove	10% discount for year 1		10% discount for year 1		10% discount for year 1		10% discount for year 1	
	Interruptible / Off-peak adjustments from Year 2 onwards	Interruptible / Off-peak adjustment (entry and exit) Year 2 Annual Consultation?	Subject to annual consultation with discount value rounded up to nearest multiple of 10	Yes	Subject to annual consultation with discount value rounded up to nearest multiple of 10	Subject to annual consultation with discount value rounded up to nearest multiple of 10		Subject to annual consultation with discount value rounded up to nearest multiple of 10	
Reserve Price - Specific Capacity Discounts	Fixed or floating price	Floating price?	Floating	Yes	Floating	Floating		Floating	
	Storage Discount	Storage Discount	50%		86%	86%		50%	
Interconnection Points	IPs Discount	None	None	None		None		None	
	LNG	LNG Discount	0% for year 1. Subsequent years subject to annual consultation	0% for year 1 then annual consultation		0% for year 1. Subsequent years subject to annual consultation		0% for year 1. Subsequent years subject to annual consultation	
Revenue Recovery Charges (Interim)	Duration	Transition = 2 years?	2 years	Yes	2 years	Not applicable		2 years	
	IP application	Capacity charge for IP?	Capacity charge (applied to fully adjusted capacity)	Yes	Capacity charge (applied to fully adjusted capacity)	Not applicable		Capacity charge (applied to fully adjusted capacity)	
	IP Exclusions	Historical contracts excluded at IPs	None	No	None	Not applicable		None	
	Non-IP application	Flow based for Non-IP?	Flow based charge applied to allocations (flow)	Yes	Flow based charge applied to allocations (flow)	Not applicable		Flow based charge applied to allocations (flow)	
Revenue Recovery Charges (Enduring)	IP application	Capacity charge for IP?	Capacity charge (applied to fully adjusted capacity)	Yes	Capacity charge (applied to fully adjusted capacity)	No charges		Capacity charge (applied to fully adjusted capacity)	
	IP Exclusions	Historical contracts excluded at IPs	None	No	None	Not applicable		None	
	Non-IP application	Capacity based for Non-IP?	Capacity charge (applied to fully adjusted capacity)	Yes	Capacity charge (applied to fully adjusted capacity)	Flow based charge applied to allocations		Capacity charge (applied to fully adjusted capacity)	
	Non-IP Exclusions	Historical capacity contracts excluded at Storage Connection Points	Historic Contracts for Capacity at Storage Connection Points	Yes	Fully adjusted Capacity at Storage Connection Points	Non-own use gas allocations at Storage Connection Points		Historical Contracts for Capacity at Storage Connection Points	
NTS Optional Charge	Application	NTS Optional Charge for 2 years?	2 years	Yes	2 years	Enduring		None	
	Method (rate derivation)	Existing formula with RPI adjustment	Existing formula, cost base subject to annual RPI adjustment	Yes	Existing formula, cost base subject to annual RPI adjustment	Existing formula, cost base subject to annual RPI adjustment		Not applicable	
	Quantity (IPs)	Fully adjusted capacity for Ips	Fully adjusted capacity	Yes	Fully adjusted capacity	Fully adjusted capacity*		Not applicable	
	Quantity (Non-IPs)	Allocation (flow) at Non-Ips ?	Allocation (flow)	Yes	Allocation (flow)	Allocation (flow)		Not applicable	
Limitations	Alternative is Transmission Services Revenue Recovery Charge?	Transmission Services Revenue Recovery charges	Yes	Transmission Services Revenue Recovery charges		Transmission Services Revenue Recovery charges		Not applicable	
	Distance cap?	60km distance cap	60km	60km	60km distance cap	59km distance cap		Not applicable	
St. Fergus Compression	Application	Existing 'K' ?	Existing principles	Yes	Existing principles	Existing principles		Existing principles	
	NTS Metering	Application	Existing Charges	Yes	Existing principles	Existing principles		Existing principles	
DN Pensions Deficit	Application	Existing Charges	Existing principles	Yes	Existing principles	Existing principles		Existing principles	
	Application	Allocation (flow) based charge to recover residual Non-transmission services revenue ?	Allocation (flow) based charge to recover residual Non-transmission services revenue	Yes	Allocation (flow) based charge to recover residual Non-transmission services revenue	Allocation (flow) based charge to recover residual Non-transmission services revenue		Allocation (flow) based charge to recover residual Non-transmission services revenue	
K	Application	Existing 'K' ?	Existing principles	Yes	Existing principles	Existing principles		Existing principles	
	Multipliers	Multipliers published in Transportation Statement ?	Transportation Statement	Yes	Transportation Statement	Transportation Statement		Transportation Statement	
Publication of variables	Interruptible Adjustment	Interruptible Adjustment published in Transportation Statement ?	Transportation Statement	Yes	Transportation Statement	Transportation Statement or UNC		Transportation Statement	
	LNG Discount	LNG Discount published in Transportation Statement ?	Transportation Statement	Yes	Transportation Statement	Transportation Statement or UNC		Transportation Statement	
	CWD Distances	Transportation Statement	Transportation Statement		?	?		?	
	CWD Allowed Revenues	Transportation Statement	Transportation Statement		?	?		?	
CWD FCCs	Transportation Statement	Transportation Statement		?	?		?		

* Revenue Recovery charge would not be applied at IPs in this Alternate Proposal so the NTS Optional Charge will never be the most

Joint Office "layman's" version
 UNC Modification Proposal or Alternate Proposal
 Elements expected to be added into Proposal

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Component		06210	06211	06212	06213	
Element		Centrica	Uniper	ILK	ILK	
Transmission Services Charges	Capacity Reference Price	Reference Price Methodology (interim) Reference Price Methodology (enduring)	Capacity Weighted Distance Capacity Weighted Distance with adjustment to minimise Revenue Recovery	Capacity Weighted Distance Capacity Weighted Distance with adjustment to minimise Revenue Recovery	Capacity Weighted Distance Capacity Weighted Distance with adjustment to minimise Revenue Recovery	
	Forecasted Contracted Capacity (FCC)	Interim arrangements	Obligated capacity for first 2 years	Obligated capacity for first 3 years		Obligated capacity for first 2 years
		Enduring arrangements	National Grid Forecast	National Grid Forecast		National Grid Forecast
	Reserve Price - Firm and Interruptible	Multiplier (Annual Capacity Product)	1.0 for year 1	1.0 for year 1		1.0 for year 1
		Multiplier (Quarterly Capacity Product)	1.0 for year 1	1.0 for year 1		1.0 for year 1
		Multiplier (Monthly Capacity Product)	1.0 for year 1	1.0 for year 1		1.0 for year 1
		Multiplier (Daily Capacity Product)	1.0 for year 1	1.0 for year 1		1.0 for year 1
		Multipliers from year 2 onwards	Subject to annual consultation	Subject to annual consultation		Subject to annual consultation
		Interruptible / Off-peak adjustment (entry)	10% discount for year 1	10% discount for year 1		10% discount for year 1
		Interruptible / Off-peak adjustment (exit)	10% discount for year 1	10% discount for year 1		10% discount for year 1
	Reserve Price - Specific Capacity Discounts	Fixed or floating price	Subject to annual consultation with discount value rounded up to nearest multiple of 10	Subject to annual consultation with discount value rounded up to nearest multiple of 10		Subject to annual consultation with discount value rounded up to nearest multiple of 10
		Storage	Floating 80%	Floating 50%		Floating 50%
	Revenue Recovery Charges (Interim)	Interconnection Points	None	None		Bi-directional only: 50% for proportion of matched in/out flows
		LNG	0% for year 1. Subsequent years subject to annual consultation	0% for year 1. Subsequent years subject to annual consultation		0% for year 1. Subsequent years subject to annual consultation
	Revenue Recovery Charges (Enduring)	Duration	2 years	3 years		2 years
		IP application	Capacity charge (applied to fully adjusted capacity)	Capacity charge (applied to fully adjusted capacity)		Capacity charge (applied to fully adjusted capacity)
		IP Exclusions	Historical Contracts	None		None
		Non-IP application	Flow based charge applied to allocations (flow)	Flow based charge applied to allocations (flow)		Flow based charge applied to allocations (flow)
Revenue Recovery Charges (Interim)	Non-IP Exclusions	All allocations (flow) at Storage Connection Points	Non-own use gas allocations (flow) at Storage Connection Points		Non-own use gas allocations (flow) at Storage Connection Points	
	IP application	Capacity charge (applied to fully adjusted capacity)	Capacity charge (applied to fully adjusted capacity)		Capacity charge (applied to fully adjusted capacity)	
	IP Exclusions	Historical Contracts	None		None	
	Non-IP application	Capacity charge (applied to fully adjusted capacity)	Capacity charge (applied to fully adjusted capacity)		Capacity charge (applied to fully adjusted capacity)	
Revenue Recovery Charges (Enduring)	Non-IP Exclusions	Historical Contracts and all Capacity at Storage Connection Points	Historical Contracts for Capacity at Storage Connection Points		Historical Contracts for Capacity at Storage Connection Points	
	Application	Enduring from October 2019	3 years		2 years	
	Method (rate derivation)	Discount of CWD derived Reference Price	Existing formula, cost base subject to annual RPI adjustment		Existing formula, cost base subject to annual RPI adjustment	
	Quantity (IPs)	Lesser of capacity and allocation (flow) at entry point and exit point	Fully adjusted capacity		Fully adjusted capacity	
NTS Optional Charge	Quantity (Non-IPs)	Lesser of capacity and allocation (flow) at entry point and exit point	Allocation (flow)		Allocation (flow)	
	Alternative charges	Transmission Services Revenue Recovery and Non Transmission Services Charges (Entry and Exit)	Transmission Services Revenue Recovery charges		Transmission Services Revenue Recovery charges	
Non-Transmission Services Charges	Limitations	None	60km distance cap		60km distance cap	
	*K Application	Existing principles	Existing principles		Existing principles	
	St. Feoga Compression	Existing principles	Existing principles		Existing principles	
	NTS Metering	Existing principles	Existing principles		Existing principles	
	DN Pensions Deficit	Existing principles	Existing principles		Existing principles	
Entry and Exit Charges	Application	Allocation (flow) based charge to recover residual Non-transmission services revenue	Allocation (flow) based charge to recover residual Non-transmission services revenue		Allocation (flow) based charge to recover residual Non-transmission services revenue	
	*K Application	Existing principles	Existing principles		Existing principles	
General	Publication of variables	Multipliers	Transportation Statement		Transportation Statement	
		Interruptible Adjustment	Transportation Statement		Transportation Statement	
		LNG Discount	Transportation Statement		Transportation Statement	
	CWD Distances	?		?		
	CWD Allowed Revenues	?		?		
CWD FCCs	?		?			

Joint Office "layman's" version
 UNC Modification Proposal or Alternate Proposal
 Variation in treatment of element from UNC Modification Proposal 02
 Elements expected to be added into Proposal