

**UNC Modification 0621 and Alternatives: Comparison of Key Elements**

Component		Element	0621	0621A	0621B	0621C	0621D	0621E	0621F	0621G	0621H	0621J	
			National Grid	Storngy	SSE	Centrica	Wales and West Utilities	Uniper	IUK	Vitol	ENI	RWE	
Capacity Reference Price	Reference Price Methodology (interim)		Capacity Weighted Distance	Capacity Weighted Distance	n/a	Capacity Weighted Distance	Capacity Weighted Distance (distance subject to square root)	Capacity Weighted Distance	Capacity Weighted Distance	Capacity Weighted Distance	Capacity Weighted Distance	Postage Stamp	
	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	Capacity Weighted Distance with adjustment to minimise Revenue Recovery	Capacity Weighted Distance (distance subject to square root) 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	Capacity Weighted Distance with adjustment to minimise Revenue Recovery	Postage Stamp with adjustment to minimise Revenue Recovery	
	Target Revenue		Net of existing and interim contracts	Net of existing and interim contracts	Net of existing and interim contracts	Net of existing and interim contracts	Net of existing and interim contracts	Net of existing and interim contracts	Net of existing and interim contracts	Net of existing and interim contracts	Net of existing and interim contracts	Net of existing and interim contracts	
	Treatment of zero Reference Prices		Uses Weighted Average Distance to determine price using nearest non-zero Reference Priced Entry or Exit Point's WAD.	Use nearest non-zero Reference Price	Uses Weighted Average Distance to determine price using nearest non-zero Reference Priced Entry or Exit Point's WAD.	Use nearest non-zero Reference Price	Use nearest non-zero Reference Price	Use nearest non-zero Reference Price	Use nearest non-zero Reference Price	Use nearest non-zero Reference Price	Use nearest non-zero Reference Price	Use nearest non-zero Reference Price	Use postage stamp price for entry / exit
Forecasted Contracted Capacity (FCC)	Interim arrangements		Obligated capacity for first 2 years	Obligated capacity for first 2 years	None	Obligated capacity for first 2 years	Obligated capacity for first 2 years	Obligated capacity for first 3 years	Obligated capacity for first 2 years	Obligated capacity for first 2 years	Obligated capacity for first 2 years	Obligated capacity for first 2 years	
	Enduring arrangements		National Grid Forecast	National Grid Forecast	Obligated capacity	National Grid Forecast	National Grid Forecast	National Grid Forecast	National Grid Forecast	National Grid Forecast	National Grid Forecast	National Grid Forecast	
Reserve Price - Firm and Interruptible	Multiplier (Annual Capacity Product)		1.0	1.0 for year 1	1.0	1.0	1.0 for year 1	1.0 for year 1	1.0 for year 1	1.0 for year 1	1.0 for year 1	1.0	
	Multiplier (Quarterly Capacity Product)		1.0	1.0 for year 1	1.0	1.0	1.0 for year 1	1.0 for year 1	1.0 for year 1	1.0 for year 1	1.0 for year 1	1.0	
	Multiplier (Monthly Capacity Product)		1.0	1.0 for year 1	1.0	1.0	1.0 for year 1	1.0 for year 1	1.0 for year 1	1.0 for year 1	1.0 for year 1	1.0	
	Multiplier (Daily Capacity Product)		1.0	1.0 for year 1	1.0	1.0	1.0 for year 1	1.0 for year 1	1.0 for year 1	1.0 for year 1	1.0 for year 1	1.0	
	Multipliers from year 2 onwards		1.0	Subject to annual consultation	1.0	1.0	Subject to annual consultation	Subject to annual consultation	Subject to annual consultation	Subject to annual consultation	Subject to annual consultation	Subject to annual consultation	1.0
	Interruptible / Off-peak adjustment (entry)		10%	10% discount for year 1	10%	10%	10% discount for year 1	10% discount for year 1	10% discount for year 1	10% discount for year 1	10% discount for year 1	10% discount for year 1	10%
	Interruptible / Off-peak adjustment (exit)		10%	10% discount for year 1	10%	10%	10% discount for year 1	10% discount for year 1	10% discount for year 1	10% discount for year 1	10% discount for year 1	10% discount for year 1	10%
Reserve Price - Specific Capacity Discounts	Fixed or floating price		Floating	Floating	Floating	Floating	Floating	Floating	Floating	Floating	Floating	Floating	
	Storage		50%	86%	86%	86%	86%	50%	50%	50%	50%	86% [pending final validation]	
	Interconnection Points		None	None	None	None	None	None	Bi-directional only; for 2 years = 50%, from 2021 = average weighted by forecast bookings (storage discount for proportion of matched in-out forecast bookings + 0% discount for unmatched)	None	None	None	
Revenue Recovery Charges (Interim)	LNG		0%	0%	0%	0%	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	0% for year 1. Subsequent years subject to annual consultation	0% for year 1. Subsequent years subject to annual consultation	0%	
	Target revenue apportionment between IPs and non-IPs		Pro-rated according to forecast flows at IPs / non-IPs versus forecast total flows	Pro-rated according to forecast flows at IPs / non-IPs versus forecast total flows	Pro-rated according to forecast flows at IPs / non-IPs versus forecast total flows	Pro-rated according to forecast flows at IPs / non-IPs versus forecast total flows	Pro-rated according to forecast flows at IPs / non-IPs versus forecast total flows	Pro-rated according to forecast flows at IPs / non-IPs versus forecast total flows	Pro-rated according to forecast flows at IPs / non-IPs versus forecast total flows	Pro-rated according to forecast flows at IPs / non-IPs versus forecast total flows	Pro-rated according to forecast flows at IPs / non-IPs versus forecast total flows	Pro-rated according to forecast flows at IPs / non-IPs versus forecast total flows	
	Duration		2 years	2 years	2 years	2 years	2 years	3 years	2 years	2 years	2 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)	Capacity charge (applied to fully adjusted capacity) - Historical Contracts utilised before Non-Historical	Capacity charge (applied to fully adjusted capacity)	Capacity charge (applied to fully adjusted capacity) except for historical contracts which will accrue a commodity charge*	Capacity charge (applied to fully adjusted capacity)	Capacity charge (applied to fully adjusted capacity)	Capacity charge (applied to fully adjusted capacity)	Capacity charge (applied to fully adjusted capacity)	Capacity charge (applied to fully adjusted capacity)
	IP Exclusions		None	None	None	Historical Contracts (levied as a flow based charge)	None	None	None	None	None	Historical Contracts	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)	Flow based charge applied to allocations (flow)	Flow based charge applied to allocations (flow)	Flow based charge applied to allocations (flow)	Flow based charge applied to allocations (flow)	Flow based charge applied to allocations (flow)	Flow based charge applied to allocations (flow)	Flow based charge applied to allocations (flow)	Flow based charge applied to allocations (flow)
Revenue Recovery Charges (Enduring)	Non-IP Exclusions		Non-own use gas 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	Non-own use gas 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	Non-own use gas 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 and Historical Contracts	Non-own use gas allocations (flow) at Storage Connection Points	
	Target revenue apportionment between IPs and non-IPs		n/a	n/a	Pro-rated according to forecast flows at IPs / non-IPs versus forecast total flows	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
	IP application		Capacity charge (applied to fully adjusted capacity)	Capacity charge (applied to fully adjusted capacity)	Capacity charge (applied to fully adjusted capacity)	Capacity charge (applied to fully adjusted capacity)	Capacity charge (applied to fully adjusted capacity)	Capacity charge (applied to fully adjusted capacity) except for Historical Contracts which will accrue a commodity charge*	Capacity charge (applied to fully adjusted capacity)	Capacity charge (applied to fully adjusted capacity)	Capacity charge (applied to fully adjusted capacity)	Capacity charge (applied to fully adjusted capacity)	Capacity charge (applied to fully adjusted capacity)
	IP Exclusions		None	None	None	Historical Contracts (levied as a flow based charge)	None	None	None	None	None	Historical Contracts	None
	Non-IP application		Capacity charge (applied to fully adjusted capacity)	Capacity charge (applied to fully adjusted capacity)	Flow based charge	Capacity charge (applied to fully adjusted capacity)	Capacity charge (applied to fully adjusted capacity)	Capacity charge (applied to fully adjusted capacity) except for Historical Contracts which will accrue a commodity charge*	Capacity charge (applied to fully adjusted capacity)	Capacity charge (applied to fully adjusted capacity)	Capacity charge (applied to fully adjusted capacity)	Capacity charge (applied to fully adjusted capacity)	Capacity charge (applied to fully adjusted capacity)
NTS Optional Charge	Non IP Exclusions		Historical Contracts for Capacity at Storage Connection Points	Fully adjusted Capacity at Storage Connection Points	Non-own use gas allocations at Storage Connection Points	Historical Contracts (levied as a flow based charge) and all Capacity at Storage Connection Points	Historical Contracts for Capacity at Storage Connection Points	Historical Contracts for Capacity at Storage Connection Points	Historical Contracts for Capacity at Storage Connection Points	Historical Contracts for Capacity at Storage Connection Points	Historical Contracts	Historical Contracts for Capacity at Storage Connection Points	
	Application		2 years	2 years	Enduring	Enduring from October 2019	None	3 years	2 years	2 years	2 years	2 years	
	Method (rate derivation)		Existing formula, cost base subject to annual RPI adjustment	Existing formula, cost base subject to annual RPI adjustment	Existing formula, cost base subject to annual RPI adjustment	Discount of CWD derived Reference Price	Not applicable	Existing formula (different parameters to UNC621), cost base subject to annual RPI adjustment	Existing formula, cost base subject to annual RPI adjustment	Existing formula, cost base subject to annual RPI adjustment	Existing formula (different parameters to UNC621 but same as UNC621E), cost base subject to annual RPI adjustment	Existing formula, cost base subject to annual RPI adjustment	
	Quantity (IPs)		Capacity deemed to have been used	Capacity deemed to have been used	Capacity deemed to have been used	Lesser of capacity and allocation (flow) at entry point and exit point	Not applicable	Fully adjusted capacity	Capacity deemed to have been used	Capacity deemed to have been used	Fully adjusted capacity	Capacity deemed to have been used	
	Quantity (Non-IPs)		Allocation (flow)	Allocation (flow)	Allocation (flow)	Lesser of capacity and allocation (flow) at entry point and exit point	Not applicable	Allocation (flow)	Allocation (flow)	Allocation (flow)	Allocation (flow)	Allocation (flow)	
	Alternative charges		Transmission Services Revenue Recovery charges and Non-Transmission Services (entry and exit) charges	Transmission Services Revenue Recovery charges	Transmission Services Revenue Recovery charges and Non-Transmission Services (entry and exit) charges	Transmission Services Revenue Recovery and Non-Transmission Services (Entry and Exit)	Not applicable	Transmission Services Revenue Recovery charges	Transmission Services Revenue Recovery charges	Transmission Services Revenue Recovery and Non-Transmission Services Charges (Entry and Exit)	Transmission Services Revenue Recovery charges	Transmission Services Revenue Recovery charges	Transmission Services Revenue Recovery and Non-Transmission Services Charges (Entry and Exit)
	Limitations		60km distance cap	60km distance cap	60km distance cap	Not available for Storage Connection Points, minimum distance 0.1km	Not applicable	60km distance cap	60km distance cap	60km distance cap	60km distance cap	60km distance cap	60km distance cap
Application at Bacton ASEPs		NTS optional flow at UKCS and IP prora in proportion to total flows at both	NTS optional flow at UKCS and IP prora in proportion to total flows at both	NTS optional flow at UKCS and IP prora in proportion to total flows at both	Entry flows at both combined and eligible for OC. Flows not qualifying at one ASEP can be used at the other	Not applicable	No specific treatment	NTS optional flow at UKCS and IP prora in proportion to total flows at both	NTS optional flow at UKCS and IP prora in proportion to total flows at both	NTS optional flow at UKCS and IP prora in proportion to total flows at both	No specific treatment	NTS optional flow at UKCS and IP prora in proportion to total flows at both	
Non-Transmission Services Charges	'K'	Application	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	
	St. Fergus Compression	Application	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	
	NTS Metering	Application	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	
	DN Pensions Deficit	Application	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	
	SSMP Administration	Application	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	?	Existing principles	Existing principles	?	Existing principles	
	IP Allocation	Application	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	?	Existing principles	Existing principles	?	Existing principles	
General	Entry and Exit Charges	Application	Allocation (flow) based charge to recover residual Non-transmission services revenue, except non-own-use at storage	Allocation (flow) based charge to recover residual Non-transmission services revenue, except non-own-use at storage	Allocation (flow) based charge to recover residual Non-transmission services revenue, except non-own-use at storage	Allocation (flow) based charge to recover residual Non-transmission services revenue, except non-own-use at storage	Allocation (flow) based charge to recover residual Non-transmission services revenue, except non-own-use at storage	Allocation (flow) based charge to recover residual Non-transmission services revenue, except non-own-use at storage	Allocation (flow) based charge to recover residual Non-transmission services revenue, except non-own-use at storage	Allocation (flow) based charge to recover residual Non-transmission services revenue, except non-own-use at storage	Allocation (flow) based charge to recover residual Non-transmission services revenue, except non-own-use at storage	Allocation (flow) based charge to recover residual Non-transmission services revenue, except non-own-use at storage	
	'K'	Application	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	Existing principles	
	Publication of variables	Multipliers		Transportation Statement	Transportation Statement	UNC	Transportation Statement	Transportation Statement	Transportation Statement	Transportation Statement	Transportation Statement	Transportation Statement	Transportation Statement
		Interruptible Adjustment		Transportation Statement	Transportation Statement	UNC	Transportation Statement	Transportation Statement	Transportation Statement	Transportation Statement	Transportation Statement	Transportation Statement	Transportation Statement
		LNG Discount		Transportation Statement	Transportation Statement	UNC	Transportation Statement	Transportation Statement	Transportation Statement	Transportation Statement	Transportation Statement	Transportation Statement	Transportation Statement
CWD Distances			Charging Model	Charging Model	Charging Model	Charging Model	Charging Model	?	Charging Model	Charging Model	Charging Model	n/a	
CWD FCCs		Charging Model	Charging Model	Charging Model	Charging Model	Charging Model	?	Charging Model	Charging Model	Charging Model	Charging Model		

UNC Modification Proposal or Alternative Proposal  
Variation in treatment of element from UNC Modification Proposal 0621

\* Requires flow to be associated with either Historical Contract or new capacity but no Proposal as to how this is apportioned