

NTS Capacity Team
Gas Transmission

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1st July 2021

Dear Colleagues

Enduring Annual Applications for increases in baseline capacity

Following issuance of the 'Invitation to participate in the July 2021 NTS (Exit) Flat Capacity Annual Application Window' (<https://www.gasgovernance.co.uk/annualauctions/2021>) Users are advised of a change in relation to applications for increase in holdings of additional Enduring Annual NTS Exit (Flat) Capacity within baseline.

In line with Ofgem's decision dated 30th June 2021 to approve the Exit Capacity (ExCR) Methodology Statement v14.0 (<https://www.nationalgridgas.com/capacity/capacity-methodology-statements>), the duration of the exit user commitment period (as per ExCR para 126) for capacity bookings within baseline will change. The user commitment period, where a User has been allocated and registered as holding additional Enduring Annual NTS Exit (Flat) Capacity within baseline, will be reduced from 48 to 24 months in this application window.

Users are advised that the correct user commitment value will only be visible to Users on Gemini Exit system after National Grid NTS has allocated the capacity. At the time of placing the booking Users will still see value related to the user commitment period of 4 years.

Allocations of increase capacity applications for Enduring Annual NTS Exit (Flat) Capacity shall be in accordance with the ExCR and will be published to Users by no later than 30th September 2021 on Gemini Exit.

Ofgem has recently conducted an industry consultation regarding further changes to the user commitment arrangements. Please note that the outcomes of this consultation will not impact arrangements in 2021 application window.

If you have any queries with regards to entry capacity, the auction mechanism, the Gemini system, or information provision then please do not hesitate to contact a member of the NTS Capacity Team by email at capacityauctions@nationalgrid.com.

If you have questions or comments in relation to the changes the in user commitment period, please contact Gas Market Change team at box.gsoconsultations@nationalgrid.com.

Yours faithfully,

NTS Capacity Team
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