

# UNC 0621K

## Amendments to Gas Transmission Charging Regime and the treatment of Gas Storage



Proposer: Gateway LNG

Panel Date: 25 April 2018

# Why change?



- Same basis as Mod 621 in terms of limitations of LRMC methodology and need to comply with EU Tariff Code
- Level of storage discount in Mod 621 is insufficient and does not properly reflect transmission (TO) costs (or benefits) related to storage connection points (same level of discount as proposed in Mod 621A i.e. 86%)
- Proposed cost (10% discount) of Off-Peak capacity for storage is insufficient and not cost reflective. The discount does not factor in the use of the transmission network by storage users nor does it reflect the benefits such flows provide to the network and the Users of the network

# Solution



- In addition to the main components of Mod 621, to
  - Increase the storage capacity discount to 86% (same as Mod 621A);
  - Non-application of revenue recovery charge on storage capacity bookings, with the exception of that capacity acquired for own-use purposes (same as Mod 621A)
  - Establishment of a 100% discount on the Off Peak Capacity at storage points only

# Recommended Steps



- The Proposer recommends that this modification should be:  
Not subject to self-governance because it is an alternative to Mod 621
  - Workgroup assessment to incorporate the proposal into the Mod 621 Workgroup Report to be submitted to the May Mod Panel