



Introduction of a Weekly NTS Entry Capacity Auction

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Overview of Modification

» Background

- Under the “ticket to ride” principle that underpins the GB capacity regime, Shippers are required to book a unit of NTS Entry Capacity (via one of the auctions prescribed within UNC TPD Section B) for every unit of gas entered onto the NTS.
- Under the current arrangements, only monthly or quarterly products are available outside of the daily product. This potentially restricts Shippers ability to book capacity efficiently where they:
 - Want to purchase capacity ahead of the DSEC auction for planning purposes
 - Cannot rely on the DSEC auctions because of the potential withholding of capacity by National Grid as a result of a constraint
- As a result, these Shippers would need to rely on the MSEC auctions which could lead to inefficient capacity bookings which increases the overall cost of NTS Entry Capacity for the Shipper, as well as limiting the amount available capacity at the DSEC process for other Users
- The costs associated with inefficient capacity bookings have been exacerbated by the implementation of UNC 0678A

» Solution

- Introduce a new Weekly NTS Entry Capacity (WSEC) auction which gives Shippers an additional opportunity to book short-term capacity ahead of the DSEC auction
- WSEC auction would take place independently of the current MSEC and DSEC auctions and would not have any adverse impacts on them