

Gas
Transmission

NTSCMF

FCC Development - Summary

12 April 2021

nationalgrid



FCC Workshops (as mentioned in NTSCMF on 02 March 2021):

- **04/02** – Initial discussions on range of topics, focus on flows and utilisations and some inputs to help shape FCC thinking
- **11/02** – Suggested key inputs for FCC, an approach for Exit including a summary values of the outputs this would have on FCC
- **18/02** – Initial Entry Approach shared at principle level, series of steps and summary data
- **25/02** – Updated Exit numbers from those shared on 11/02 and re-run through the entry steps including summary data applying this.
- All material is available on the NG website here:
 - <https://www.nationalgrid.com/uk/gas-transmission/charging/gas-charging-discussion-gcd-papers>

FCC Workshops (since 03 March 2021 until 07 April 2021):

- **04/03** – Overview of the Entry and Exit Data and Models used to create data and the FCC Methodology Document Drafting
- **11/03** – Feedback on approach and tweaks that were made on the feedback received so far and the FCC Methodology Document Drafting
- **18/03** – Movement from Quarterly to Monthly data for Entry. FCC Methodology Drafting including indicative years, Exit overview of data for indicative years.
- **24/03** – Industry Webinar on the proposed FCC Methodology changes including Q&A
- **25/03** – Discussion on FCC Methodology Consultation and Q&A
- **01/04** – FCC Methodology Consultation key points and changes made on the back of the consultation responses
- All material is available on the NG website here:
 - <https://www.nationalgrid.com/uk/gas-transmission/charging/gas-charging-discussion-gcd-papers>

FCC Methodology Consultation Key Themes

The key themes, in no particular order, are as follows:

- **Generally, the use of the historical flows as a basis for the FCC Methodology is an improvement on existing FCC Methodology which is in place currently.**
- **Support for the use of the key principles within the calculation of the FCC Methodology.**
- **Appreciation of the engagement process and transparency that has been followed for this review of the FCC methodology and to continue with the same engagement process with the same levels of transparency would be welcomed in other FCC Methodology reviews.**
- **Ensure monitoring of capacity bookings, flows and other elements to provide reporting and transparency on performance and ensure continual improvements can be accommodated into subsequent FCC Methodology updates**

FCC Methodology Consultation Timeline

Governance Process for Final FCC	When	Completed?
Issue FCC Methodology for Consultation	19 March 2021	Yes
Closing date for FCC Methodology Consultation responses	30 March 2021	Yes
Aim to publish a report on the responses plus issue the FCC Methodology	01 April 2021	Yes
Appeal Window as per UNC TPD Section Y 2.5.2	By 04 May 2021	No
Latest publication of Reserve Prices based on the approved FCC Methodology	04 June 2021	No

High level timeline between now and May 2021:

Publication of
October 2021 Entry
and Exit Reserve
Prices

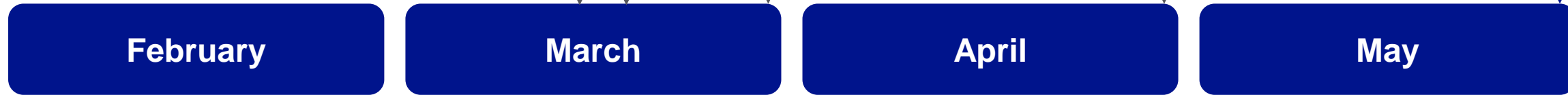
FCC
Updates

Weekly workshops, monthly NTSCMFs →

FCC Methodology
consultation

FCC Methodology
update in place

Updated FCC Values
for Charge Setting



Workshop	Agenda	Workshop	Agenda	Workshop	Agenda
11/02/2021	Exit draft (outline & summary)	11/03/2021	Updates / FCCM Drafting	08/04/2021	Reviewing FCC in line with FCCM
18/02/2021	Entry draft (outline)	18/03/2021	FCCM Final Text	15/04/2021	Reviewing FCC in line with FCCM
25/02/2021	Entry Data / updated Exit	25/03/2021	Reviewing FCC in line with FCCM	22/04/2021	Reviewing FCC in line with FCCM
04/03/2021	Updates / FCCM Drafting	01/04/2021	Reviewing FCC in line with FCCM	29/04/2021	Finalising the FCC in line with the FCCM

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Period ahead of consultation on Methodology to be used to produce the FCC

Period of applying the methodology to determine FCC

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