

**NTS Charging Methodology Forum (NTSCMF) Minutes**  
**Tuesday 04 April 2023**  
**via Microsoft Teams**

<b>Attendees</b>		
Eric Fowler (Chair)	(EF)	Joint Office
Helen Cuin (Secretary)	(HCu)	Joint Office
Adam Bates	(AB)	SEFE
Alex Nield	(AN)	Storengy
Ashley Adams	(AA)	National Gas Transmission
Andrew Pearce	(AP)	BP
Anna Shrigley	(ASh)	ENI
Christiane Sykes	(CS)	Shell International Trading and Shipping Company Ltd
Chris Wright	(CW <sub>r</sub> )	Exxon Mobil
Colin Williams	(CW <sub>i</sub> )	National Gas Transmission
Daniel Wilkinson	(DW)	EDF Energy
Jeff Chandler	(JCh)	SSE
Julie Cox	(JC <sub>x</sub> )	Energy UK
Kirsty Appleby	(KA)	National Gas Transmission
Kieran McGoldrick	(KM)	National Gas Transmission
Lauren Jauss	(LJ)	RWE
Mark Rixon	(MR)	Waters Wye Associates
Marion Joste	(MJ)	ENI
Mariachiara Zennaro	(MZ)	Centrica
Nathan Li	(NL)	ENGIE UK Power
Oliver Weston	(OW)	Ofgem
Oreoluwa Ogundipe	(OO)	Interconnector
Richard Fairholme	(RF)	Uniper
Ritchard Hewitt	(RHe)	Hewitt Home and Energy
<p><i>Please note that NTSCMF meetings will be quorate where there are at least six participants attending, of which at least two shall be Shipper Users and one Transporter is in attendance.</i></p> <p><i>Please note these minutes do not replicate/include detailed content provided within the presentation slides, therefore it is recommended that the published presentation material is reviewed in conjunction with these minutes. Copies of all papers are available at: <a href="https://www.gasgovernance.co.uk/NTSCMF/040423">https://www.gasgovernance.co.uk/NTSCMF/040423</a></i></p>		

**1. Introduction and Status Review**

Eric Fowler (EF) welcomed delegates to the meeting.

**1.1. Approval of Minutes (07 March 2023)**

A suggested amendment to the March minutes had been submitted by Nigel Sisman (NS) to record that a question had been raised in the context of removing the non-obligated entry capacity revenue flows (similar to Entry overruns). It was noted that National Gas Transmission (NGT) could consider the single cashflow and subsequently consider the other cashflows that are currently part of capacity neutrality. By considering each of the capacity neutrality elements, Issue-8 in the issue log could be addressed so that the necessary remedies can be delivered.

Colin Williams (CWi) agreed to consider this topic and to capture this as an action.

**New Action 0301:** National Gas Transmission to consider the effect of removal of non-obligated entry capacity revenue from capacity neutrality.

The minutes from the previous meeting were then approved.

### 1.2. Approval of Late Papers

EF noted the monthly agreed late paper from National Gas Transmission for Capacity and Revenue Monitoring for item 4.0.

### 1.3. Review of Outstanding Actions

**Action 0201: Result of Closed Action 0104** - National Gas Transmission DAB to update the 3 scenarios, to include the most up to date actual data. *(Note: this will not be indicative prices for next year and does not include revised FCC's).*

**Update:** See item 4.0. **Closed**

### 1.4. Industry Update from Ofgem

Oliver Weston (OW) referred to the 17 March 2023 expected publication dates timetable at: <https://www.ofgem.gov.uk/publications/code-modificationmodification-proposals-ofgem-decision-expected-publication-dates-timetable>, noting the estimated decision dates for:

Modifications	Estimated Decision Date
0761 - Arrangements for Interconnectors with additional Storage capability	28 April 2023
0823 - Amendment to the Allocation of Entry Capacity and Flow Quantities to Qualifying CNCCD Routes	22 December 2023

An enquiry was made on the background to the lengthy decision period for Modification 0823. It was clarified by OW that the estimated decision date is the backstop date and Ofgem endeavour to provide a decision before this date where possible. OW explained that the estimated dates are set according to resourcing capacity, work priorities (such as information requests and market surveillance), the Modification complexity and any required impact assessments. It was noted that Modification 0823 requires some analysis.

### 1.5. Pre-Modification discussions

No pre-Modification discussions.

## 2. Workgroups

No current Modifications to consider.

## 3. Issues

### 3.1. Industry Issues Tracker Update

EF referred Workgroup to the published Issues Tracker and invited updates from participants (<https://www.gasgovernance.co.uk/ntscmf>).

## 4. Forecasted Contracted Capacity (FCC)

### 4.1. FCC Methodology

NGT confirmed that the 2023 Forecasted Contracted Capacity (FCC) Methodology had been published noting a number of minor changes for updated website links and references to NGT (<https://www.nationalgas.com/charging/gas-charging-discussion-gcd-papers>)

## 4.2. FCC Monitoring

Kieran McGoldrick (KM) provided the monthly Capacity and Revenue Monitoring update, focussing on the:

- Entry Capacity and Revenue FY23 at February 2023;
- Exit Capacity over-collection scenario analysis to the end of March for the over-recovery projection; and
- General Non-Transmission and St Fergus Revenue FY23 at February 2023.

Please refer to the presentation published for the details of this update.

CWi referred to the graph on page 4 of the pack, "Exit Capacity Over-Collection Scenario Analysis". The scenarios that would result in greater over-recovery are now very unlikely so only the lowest is shown with an indicative price outcome 0.00124. CWI reminded the Workgroup that this indicative value is based on the previous assumptions. Workgroup agreed that this completed the action 0201.

The Workgroup briefly considered the extent to which high prices may have suppressed domestic demand and how this will filter into future reporting.

## 5. Long-Term Revenue Forecasts

No update this month.

## 6. Any Other Business

### 6.1. St Fergus Compression Update

It was suggested that this standing agenda item is removed from the agenda and re-tabled when the next update is expected. Based on current estimates and associated timescales it is anticipated this will be re-considered in late Summer 2023.

### 6.2. Transmission Charging Review – Post UNC 0790 Decision

NGT provided an overview of the next phase, confirming an expansion of documentation to include comments and feedback, with a view to publishing this week beginning 10 April 2023. CWI confirmed that the intention will be to provide an extended consultation timeline ending June and to allow for two NTSCMF meetings to discuss areas of clarification to help parties to respond.

CWi asked for the Joint Office to support notification of the consultation and where it will be published on the National Gas Transmission website.

## 7. Diary Planning

Further details of planned meetings are available at: [www.gasgovernance.co.uk/events-calendar/month](http://www.gasgovernance.co.uk/events-calendar/month)

Time / Date	Paper Publication Deadline	Venue	Workgroup Programme
10:00 Tuesday 02 May 2023	5pm Friday 21 April 2023	Via Microsoft Teams	Standard Workgroup Agenda
10:00 Tuesday 06 June 2023	5pm Monday 30 May 2023	Via Microsoft Teams	Standard Workgroup Agenda
10:00 Tuesday 04 July 2023	5pm Monday 26 June 2023	Via Microsoft Teams	Standard Workgroup Agenda
10:00 Tuesday 01 August 2023	5pm Monday 24 July 2023	Via Microsoft Teams	Standard Workgroup Agenda
10:00 Tuesday	5pm Monday	Via Microsoft Teams	Standard Workgroup Agenda

05 September 2023	28 August 2023		
10:00 Tuesday 03 October 2023	5pm Monday 25 September 2023	Via Microsoft Teams	Standard Workgroup Agenda
10:00 Tuesday 07 November 2023	5pm Monday 30 October 2023	Via Microsoft Teams	Standard Workgroup Agenda
10:00 Tuesday 05 December 2023	5pm Monday 27 November 2023	Via Microsoft Teams	Standard Workgroup Agenda

**NTCSMF Action Table**

Action Ref	Meeting Date(s)	Minute Ref	Action	Reporting Month	Owner	Status Update
0201	07/02/23	1.3	National Gas Transmission (DAB) to update the 3 scenarios, to include the most up to date actual data. <i>(Note: this will not be indicative prices for next year and does not include revised FCC's).</i>	April 2023	National Gas Transmission (DAB)	<b>Closed</b>
0301	07/03/23	1.3	National Gas Transmission to consider the effect of removal of non-obligated entry capacity revenue from capacity neutrality. Would NGT consider this to be a helpful change? Do NGT consider that there are other necessary, or desirable changes (in UNC and/or Licence) to appropriately manage non-obligated entry cashflows?	May 2023	National Gas Transmission (DAB)	<b>Pending New Action</b>