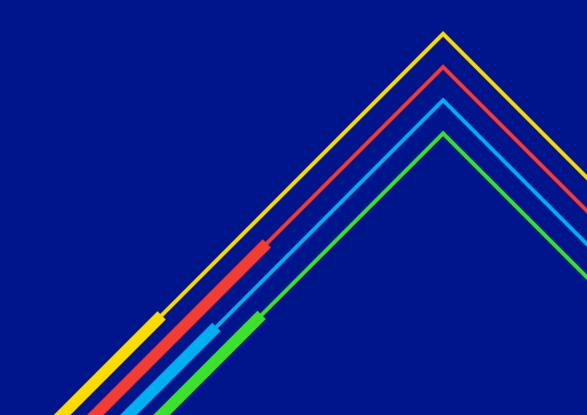
Bacton Capacity Action Ref: 1103

Transmission Workgroup 5th Jan 2022



Bacton Exit IP Available Capacity - Obligated

The combined point was effective within our Licence from 15th December 2021.

The accelerated plan for delivery of competing auctions (UNC Modification Proposal 785) now has a planned date of 1st March 2022.

In the interim period then the combined baseline is being shared on a pro-rata basis to both interconnectors proportional to the respective technical capacities.

Bacton Exit IP Available Capacity – Non-obligated

Firm capacity offered in excess of our Licence obligation (651.68 GWh/d) is 'non-obligated' and therefore is considered for release on a discretionary basis. (on PRISMA both obligated and non-obligated appear as Firm capacity).

Non-obligated capacity is considered for release where there is an evidenced market need for additional capacity and NTS capability to support this. A capability assessment is undertaken prior to release of non-obligated capacity at any point, in order to sufficiently assess constraint risk.

Following this risk based approach - we have released non-obligated capacity over the recent summer period at Bacton BBL, and have released non-obligated capacity at both Bacton interconnection points since 30th December 21.

Placeholder

Graphs to be inserted

National Grid

Request to NG from Interconnector

Request to NG to (i) re-evaluate baseline (ii) dynamically calculate available capacity (iii) provide more transparency about capability...

- (i) Baselines are agreed as part of the Price Control settlement, and setting them is a regulator led process.
- (ii) Non-obligated capacity release is determined dynamically by GNCC who assess the ability to support an evidenced market need by monitoring prevailing view of the network (supply/demand, system balance, asset availability etc.). Availability of non-obligated capacity is published when the relevant auctions are published so that the most up to date assessment is used.
- (iii) We have recently initiated a new annual process (as of last year) whereby we attempt to better articulate network capability to stakeholders and provide additional transparency in this area. This report is an ongoing area of development (see next slide).

Annual Network Capability Assessment Report (ANCAR)

2.7 East Midlands (zone 6)

2.7.1 East Midlands entry

There are no entry sites in the East Midlands zone, therefore there is no entry capability flame chart or heatmap produced.

2.7.2 East Midlands exit

Figure 23 indicates that the East Midlands network has sufficient capability to meet the exit requirements required both now and in the next 10 years.

The 2030 flow pattern is broadly similar to the 2020 flow pattern, although the range of potential flows, particularly above an NTS demand level of 225 mcm, has reduced. There is a more pronounced concentration of flow frequencies towards the lower NTS demand levels and fewer flows at the extreme top end of NTS demands levels, whilst zonal demand remains only slightly reduced. These demand changes are believed to be due to the earliest signs of the Net Zero strategies taking effect.

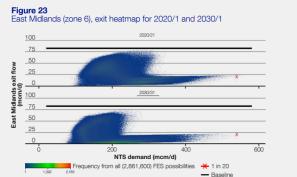
The plateau shape present in the charts, as national demand increases, is caused by the transition of interconnection flows to the Continent from exit to entry via Bacton once national demand levels increase. Bacton is considered as an exit point for the East Midlands, as the gas it exports, via the interconnectors, is largely supplied by moving gas from the East Midlands by using the King's Lynn compressor station. However, it is an entry point for the South East zone (see the South East, section 2.8).

There are a few data points on the 2020 heatmap where the exit flow is above the 1-in-20 level (the red cross on the charts). These exist for the same reasons as those explained for the North East (see section 2.3.2).

Throughout our stakeholder engagement, we have received no feedback from stakeholders about their concerns for this zone.

2.7.3 Proposed developments

During RIIO-2 we will continue to assess the compression requirement in this zone against the proposal to install two new compressors during RIIO-3 and decommission three others that are non-compliant with the Industrial Emissions Directive. These changes reflect the requirement to support exit capability at Bacton during the summer and entry capability in the South East zone in the winter.



Where possible /appropriate then exit capability curves for an area will be added in to ANCAR 2022.

Figure 23 (+)

National Grid

nationalgrid