

Gas
Transmission

NTSCMF

Forecasted Contract Capacity (FCC) Methodology Review for Gas Year 2023/24

7th February 2023

Ash Adams - Gas Market Change Delivery

nationalgrid



UNC Obligations

- NGG is required to maintain and keep under review the FCC Methodology, and consult with Users on any material change (and the effect of such change) to it.
- NGG must notify Users of any proposed change to the FCC Methodology not less than 40 Business Days before the time required to notify Reserve Prices. (End of May).
- If a User gives notice to NGG that any proposed change should not be made within 20 Business Days of the notification, the implementation of the change shall be determined by the Authority.
- NGG shall publish the FCC Methodology and all changes made to it.

Summary of Previous Changes to FCC Methodology

Gas Year 2021/22:

- Historical flow data for previous Gas Years.
- Utilisation of the capacity booking versus flows.
- Taking into account the different inputs and how they relate to what capacity might be booked but not using the maximum of the inputs.
- Monthly granularity of Entry data
- The ability to apply an exception and a requirement for transparency where used.

Gas Year 2022/23:

- Exit FCC amended from Annually calculated to Monthly calculated and summed to annual.
- Use the latest published Long Term Development Statement (LTDS) instead of the latest published FES forecast for the GDN 1 in 20 peak gas demand data.

Forecasted Contracted Capacity (FCC) Methodology 2023/24

We have received no suggestions of changes that should be made for the coming Gas Year.

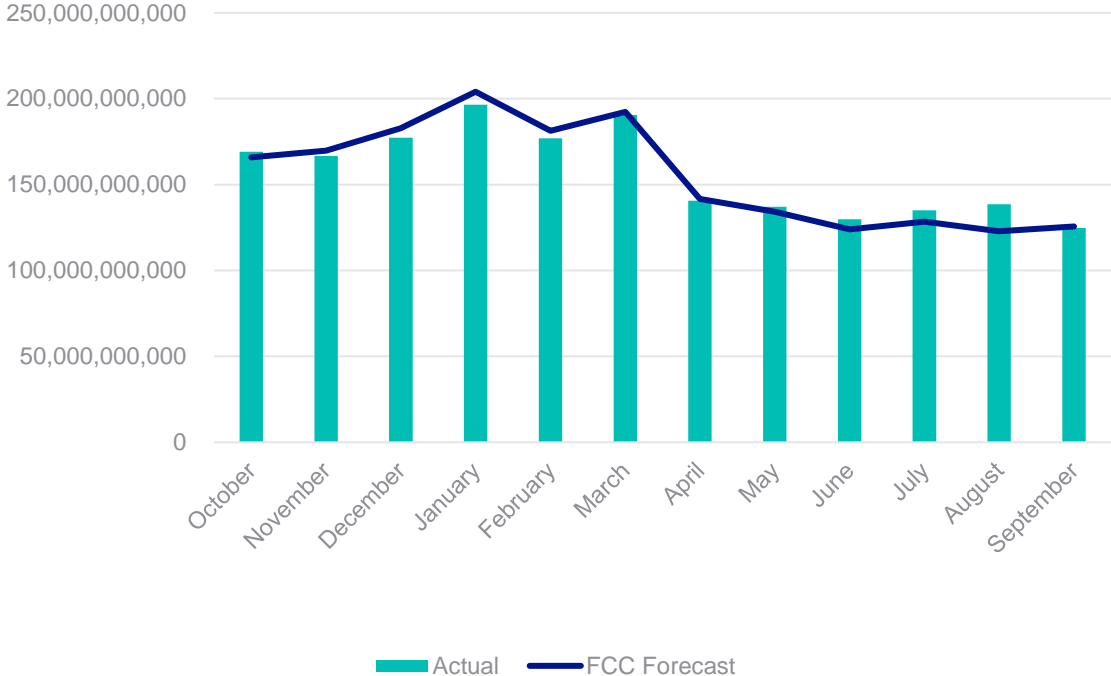
After reviewing the FCC Methodology this year, we believe there is no further refinement that would be beneficial at this stage.

Therefore, no material changes are proposed to the FCC Methodology for the Gas Year 2023/24

Changes are proposed to update the name of National Grid to National Gas Transmission following the change of ownership and company name.

As these changes are deemed to be immaterial, there will be no formal consultation on the methodology this year.

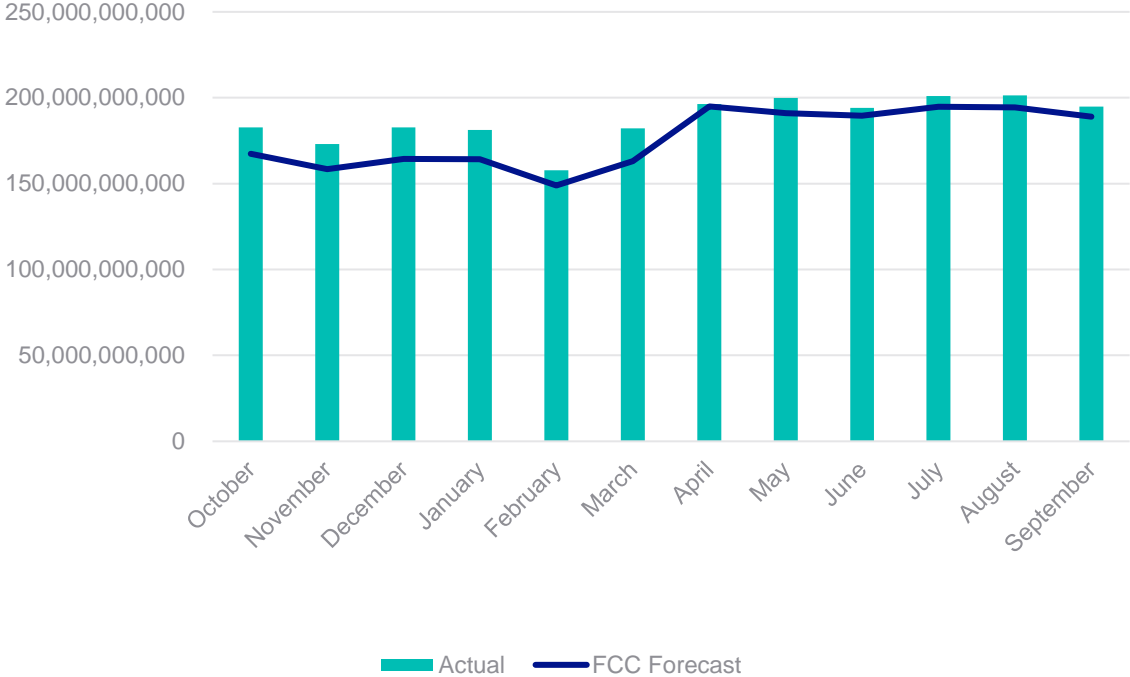
Forecast and Actual Entry Capacity- Gas Year Oct 21-Sep 22



Entry Capacity (kWh)	
Actual	1,882,761,800,381
FFC Forecast	1,872,341,414,608
Variance	-10,420,385,773 0.6%

*for the Gas Year Oct 20-Sep 21 Entry variance was 11.4%

Forecast and Actual Exit Capacity- Gas Year Oct 21-Sep 22



Exit Capacity (kWh)	
Actual	2,246,611,192,674
FFC Forecast	2,119,635,015,104
Variance	-126,976,177,570 5.7%

*for the Gas Year Oct 20-Sep 21 Exit variance was 14%

FCC Methodology Review Timeline

As no material changes are being considered the following timeline is proposed:

Task	Date
NTSCMF signpost	07 February 2023
Publication of the FCC Methodology	Before 31 March 2023
FCC Methodology used for charge setting	May 2023

The FCC Methodology for 2022/23 can be found on: <https://www.nationalgrid.com/gas-transmission/document/139151/download>