

Gas
Transmission

NTSCMF

Topics to consider for
future review

07 December 2021

nationalgrid



Workgroup Tracker – Oct 21

Issue Ref.	Issue Title
CMF001	Definition of TS-Related NTS System Operation Revenue within UNC TPD Section Y paragraph 1.5.1 (d)
CMF002	TAR NC compliance
CMF003	Differences in treatment for entry and exit regimes
CMF004	SO incentive performance
CMF005	Longer term charging structures

Workgroup Tracker was last discussed at Oct 21 NTSCMF.

High level overview given on left but more details are given within the tracker available on the NTSCMF webpage.

CMF005 was to discuss longer term charging structure in more detail at Dec 21 NTSCMF.

Charging Reform: Further discussion topics for feedback

	Overview
October 2022 Implementation (IN PROGRESS)	<p>Prioritised workstream. Focus on areas that improve stability, predictability and reduce volatility and improve fairness:</p> <ol style="list-style-type: none">1. Calculation of target Gas Year revenues;2. Additional charge to improve fairness across Customers
October 2023 and beyond (should they progress to proposals)	<p>Open up discussions on more fundamental changes that go beyond refinement to the regime. Examples could include</p> <ol style="list-style-type: none">1. Changes to Existing Contracts within the Methodology;2. Entry / Exit Split3. Seasonal charging
Other items – could be delivered at any time with efficiencies sought with other changes	<p>Other smaller, less impactful topics</p> <p>Could deliver changes to the UNC at any point. Some may be proposed sooner without impacting other developments. Efficiencies sought on delivery.</p>

Discussions & Development

Keep all topics/items on an NTSCMF list.

Target at least one NTSCMF to cover each topic that shapes further discussions / development, etc

Gives time and opportunity to prepare and share questions to have discussions

Each topic/item should have a summary of the main points discussed, key questions and any workgroup proposal(s)

Discussions / views can then be taken about if / when / who may consider any potential UNC change proposals

Topics discussed to date

As part of the Gas Open Letter we stated that there were a number of topics we would be discussing in the future.

To date we have discussed the following topics:

- **Revenue**
 - The discussions on this has led to the development and submission of UNC0790 – additional flow based Transmission Services charge
- **Tariffs**
 - Changes to the way the Revenue is derived for a particular Gas Year, this was discussed as pre Modification earlier today.

Future topics – for discussion and prioritisation

Future topics for discussion:

- Existing Contracts (EC's) and the interaction with other Charges.
- Forecasted Contracted Capacity (FCC) – discussed earlier today as annual obligation to review methodology
- Entry and Exit split
- Interactions of the revenues between TO and SO (Licence) and Transmission Services and Non-Transmission Services (UNC)
- Seasonal Pricing or seasonal factors i.e. 6 monthly pricing, changes per season, multiplier changes, seasonal factor changes
- Inefficient Bypass product

Any others?

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