

Withdrawal Notification For: 0118
"Entry Capacity Transfers in the Constrained Period"

Version 1.0

Date of Communication: 15 November 2006

Abstract

Dear Colleagues

National Grid NTS raised UNC Modification Proposal 0118 in September as a first step in the development of arrangements to allow the transfer of unsold capacity between Aggregate System Entry Points (ASEPs). A key feature of this Modification Proposal was that it only facilitated the transfer of capacity at a 1:1 exchange rate between ASEPs within specified zones. Although this Modification Proposal was limited in scope, National Grid NTS considered that the proposed transfer process was simple for Users to operate and was able to be implemented with supporting IT systems in a timely fashion.

Centrica Storage Ltd (CSL) then raised an alternate UNC Modification Proposal 0118a seeking to extend this mechanism to allow transfers between zones at exchange rates determined by National Grid NTS. CSL considered the mechanism proposed by National Grid NTS fell short of taking all reasonable steps to facilitate the trading of capacity between ASEPs. National Grid NTS recognises the desire of several Users for such extended transfers mechanisms, but considers that 0118a is lacking important detail in respect of the process by which the transfer process would operate.

National Grid NTS, demonstrating its commitment to the development of appropriate entry capacity transfer models, has reconsidered the options to facilitate transfer of unsold capacity between ASEPs and considers that there are mechanisms to facilitate wider transfers than permitted under Modification Proposal 0118, while still maintaining the same level of buy back risk. Although such models are more complex, National Grid NTS has decided to withdraw its Modification Proposal 0118 and now aims to raise a replacement Modification Proposal at the December Modification Panel to facilitate wider transfers of entry capacity. It is intended to use the Transmission Workstream on the 7th December to gain industry input to development of such a Proposal.

Regards

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