

## Workgroup Terms of Reference

### 0517 - Review of the Supply Matching Merit Order in Setting Capacity Charges

**Date referred from Panel:** 16 October 2014

#### Background – Why Change?

Please refer to [www.gasgovernance.co.uk/0517](http://www.gasgovernance.co.uk/0517)

#### Solution

It is proposed to amend the current Merit Order, specified in UNC TPD Section Y so that it aligns to the current utilisation of the supplies in the current years. The Merit Order will be amended to combine the supply, which is against MRS and LNG into one group, and prorate as currently specified in the methodology.

#### Topics for Discussion

- Understanding the objective
- Assessment of alternative means to achieve objective
- Development of Solution (including business rules if appropriate)
- Assessment of potential impacts of the modification
- Assessment of implementation costs
- Assessment of legal text.

#### Outputs

Produce a Workgroup Report for submission to the Modification Panel, containing the assessment and recommendations of the Workgroup.

#### Composition of Workgroup

The Workgroup is open to any party that wishes to attend or participate.

A Workgroup meeting will be quorate provided at least two Transporter and two User representatives are present.

#### Meeting Arrangements

Meetings will be administered by the Joint Office and conducted in accordance with the Code Administration Code of Practice.