Legal text for amendments to the calculation of PARCA Security Amount in TPD Section Y

***Underlined text, highlighted in blue, indicate insertions into existing legal text.**

46. **Phase 2 – Reservation of Capacity under the PARCA**

(a) The amount required to be covered by the PARCA Applicant will be the PARCA security amount (**"Total PARCA Security Amount"**). The Total PARCA Security Amount will be calculated and phased as follows:

i. for Exit Capacity:

Total PARCA Security Amount (£) = (PSAex / 100) x Qex x 365

Where:

PSAex = the weighted average price of registered annual and enduring NTS Exit (Flat) Capacity, to be 0.0079 (p/kWh/Day), until values are published in the Transportation Statement. National Grid NTS is to be required to publish this value in all future Transportation Statements and it shall be calculated as:

$$PSAex = \frac{\sum_{j=1}^{n}(\text{ExitRegCap}_j * \text{Exit Price}_j)}{\sum_{j=1}^{n}(\text{ExitRegCap}_j)}$$

Where:

ExitRegCapj = The Registered Annual plus Enduring Annual NTS Exit (Flat) Capacity plus any other Annual Yearly and Annual Quarterly capacity registered pursuant to the processes set out under the European Interconnection Document, as at the time of publication of actual charges, for each NTS Exit Point j.

ExitPricej = The prevailing Applicable Daily Rate, in accordance with Transportation Statement for each NTS Exit Point j.

Qex = the maximum amount of NTS Exit Capacity to be Reserved by the PARCA Applicant (kWh/Day) as specified in the Phase 1 PARCA Works Report

ii. for Entry Capacity:…

Total PARCA Security Amount (£) = (PSAen / 100) x Qen x 365

Where:

PSAen = the weighted average price of Registered Quarterly NTS Entry Capacity, to be 0.0098 (p/kWh/Day), until values are published in the Transportation Statement.

National Grid NTS is to be required to publish this value in all future Transportation Statements and it shall be calculated as:

$$PSAen = \frac{\sum_{i=1}^{n}(\text{ExitRegCap}_i * \text{Exit Price}_i)}{\sum_{i=1}^{n}(\text{ExitRegCap}_i)}$$

Where:

EntryRegCapi = The Registered NTS Entry Capacity booked through the QSEC and AMSEC processes, and any other Annual Yearly and Annual Quarterly capacity booked through the processes set out under the European Interconnection Document, as at the time of publication of actual charges, for each ASEP i.

EntryPricei = The prevailing MSEC reserve price or, in respect of an Interconnection Point, the prevailing reserve price for the Annual Yearly and Annual Quarterly capacity reserved in terms of the processes set out under the European Interconnection Document in accordance with The Statement of Gas Transmission Transportation Charges for ASEP i.

Qen = the maximum amount of NTS Entry Capacity to be Reserved by the PARCA Applicant (kWh/Day), in any one quarter as specified in the Phase 1 PARCA Works Report