

# Exec Summary | 08XX Revision to the Calculation Methodology of the Security Amount for Planning and Advanced Reservation of Capacity Agreement (PARCA)

Agenda Item	Key Messages
<b>Purpose of modification</b>	<ul style="list-style-type: none"><li>▪ This Modification would revise the price used in the calculation of the Security Amount for reservation of Capacity through a Planning and Advanced Reservation of Capacity (PARCA) for Entry and Exit sites, to reflect the overriding Reserve Price for non-discounted sites, and a discounted rate for any Specific Point Discounts (e.g. Storage sites).</li></ul>
<b>Impacted parties</b>	<ul style="list-style-type: none"><li>▪ Low: Shipper Users, National Gas Transmission</li></ul>
<b>How does this modification achieve it's purpose and the relevant objectives?</b>	<ul style="list-style-type: none"><li>▪ This revised methodology removes the unintended consequence of a Storage site having their total PARCA Security Amount being higher than it should be, and conversely a non-Storage site being lower than it should be.</li><li>▪ Making this update brings the calculation of the Total PARCA Security Amount more in line with the prevailing Reserve Price determination ensuring it better reflects prices payable at Specific Points (e.g. non-Storage and Storage).</li></ul>
<b>Consumer benefit</b>	<ul style="list-style-type: none"><li>▪ This proposal only updates the price used to calculate the Total PARCA Security Amount. It does not affect the Transportation Charges, therefore there is no impact to Consumers.</li></ul>
<b>Contact for more information</b>	<ul style="list-style-type: none"><li>▪ <a href="mailto:Kieran.McGoldrick@nationalgas.com">Kieran.McGoldrick@nationalgas.com</a></li></ul>