



Transmission Services Charging and future developments

NTSCMF Discussions

January 2024

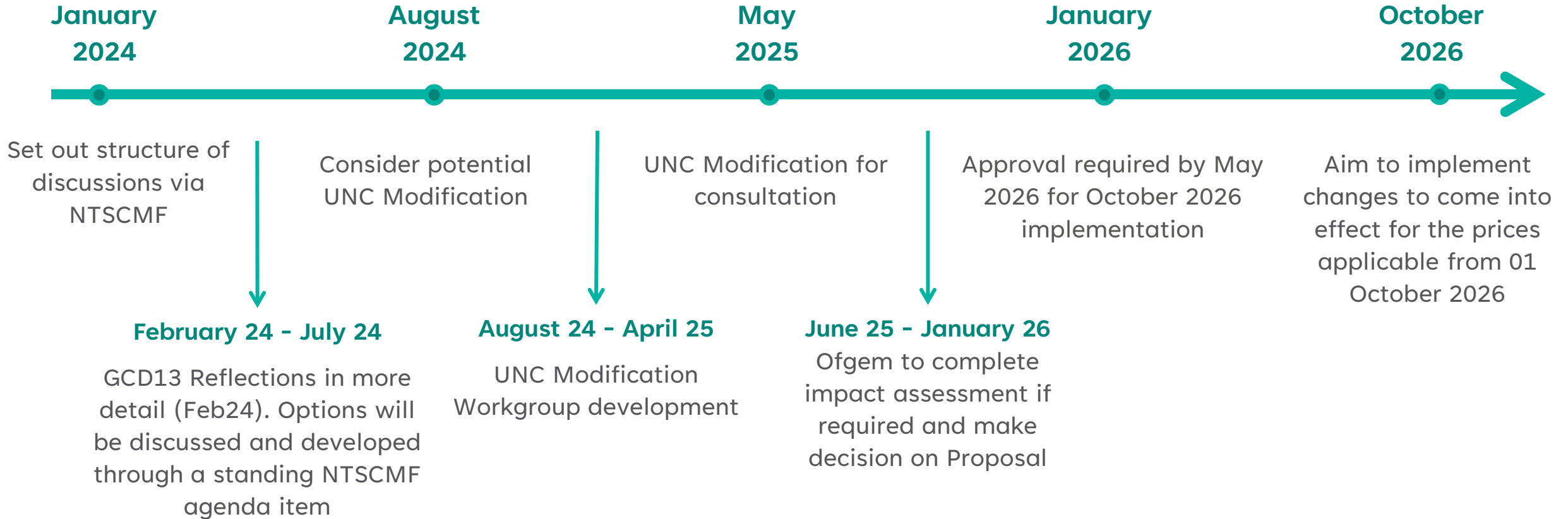


Background and History

- Following the conclusion of Gas Charging Discussion Document 13 we are seeking industry views on the future of Transmission Services Charging
- GCD13 focused on one element of Entry pricing, that of Existing Contracts and ultimately how they are priced relative to non-Existing Contracts. Taking on board the comments received and reflecting on what options may be available, we do not believe focusing on a direct replacement for UNC0790 should be made.
- One of the questions was asked in the GCD13 consultation around other elements of Transmission Services pricing and one specific topic was around the Entry / Exit Split for Transmission Services. There was a mix of responses to review this.
- **We are proposing to discuss Transmission Services and Entry pricing, with specific attention on the Entry / Exit split and explore what Stakeholders think any potential benefits might be of it being different to 50% Entry and 50% Exit. That is where 50% of revenues are levied to Entry and 50% levied to Exit Customers.**
 - Noting that changes to the proportion levied on Entry will, by default change the proportion of revenues levied to Exit.
 - The Entry / Exit split, as a topic of review, was not included in the scope of the previous significant charging updates when proposed (UNC0621 and alternatives and UNC0678 and alternatives). It was always proposed to revisit this topic in the future.
 - This can also link to an item on the NTSCMF Issues Tracker.
- Compliance will be integral to topic discussions. Reviewing comments from GCD13, compliance and concerns on compliance are paramount in Stakeholders minds to address in any charging development.

<https://www.nationalgas.com/charging/gas-charging-discussion-gcd-papers>

Draft Timeline*



*The above dates are indicative only. The outcome of discussions will inform the plan going forwards.

Discussion Points

This package of work will form a standing NTSCMF workgroup agenda item in the coming months.

High level plan for workgroup discussions:

February:

- Set out in more detail, linked to the GCD13 outputs, what reviewing the 50/50 split for Entry and Exit might impact.
- A chance to start discussing any issues and what any benefits any changes should aim to achieve
- Opportunity for Stakeholder initial views on issues, key considerations and potential options
- Recognising this could have significant impacts, this will be accounted for in any timeline of development and feedback.

March onwards:

- Expand from February discussions and start to share analysis linked to option development based on feedback received
- Shape the following months in terms of scope and outputs

Thank you

