

Managing Inefficient bypass in Charging: Updated analysis

NTSCMF/UNC0670R:
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nationalgrid



Updated Analysis (from 28 January 2020)

This provides a summary of the analysis presented at the 0670R workgroup on 28 January. There is one addition based on feedback – to include the revenue contributed from those paying the optional / conditional charge.

Full details of the assumptions used can be found on the 28 January material:

<https://www.gasgovernance.co.uk/ntscmf/280120>

This is provided using Straight Line Distances.

This is presented for awareness, following feedback to illustrate the sensitivities of changing specific elements of Methodology 2.

This illustration of key elements of any proposal is a useful summary to provide, and one we will continue with as we analyse any proposals.

Analysis

All based on Straight line distances. Table updated to include the revenue contributions from the appropriate variant of Methodology 2 used in the analysis.

	Prevailing OCC	0678H/J	FCC into Stage 1	Constants adjusted by Load Factor
OCC Contribution (£)	£28,695,987.33	£16,993,934.00	£13,612,172.74	£17,294,393.67
Potential TS Socialisation (£)	£91,588,511.59	£65,207,293.37	£60,920,174.44	£51,432,266.57
Gen Non-TS Socialisation	£55,509,882.68	£42,648,739.22	£39,072,506.45	£37,173,017.92
Socialisation as % of MAR	19.4%	14.3%	13.2%	11.7%
Routes Considered	18	14	12	11
Max Effective Rate Discount	99.1%	97.6%	95.7%	96.4%
Longest Route Considered	244.0	53.0	27.0	27.0

Note:

TS refers to Transmission Services

General Non-TS refers to General Non-Transmission Services

Longest route considered only includes options where Firm capacity can be procured for Entry and Exit