

CadMar21

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National Grid Consultation on Forecasted Contracted Capacity (FCC) Methodology

Dear Colin,

We welcome the opportunity to respond to the National Grid Consultation on the proposed FCC Methodology.

Please see below our response to the two questions asked.

Q1. Do you support the use of the principles within the FCC Methodology?

A1. Yes, we are in agreement with the principles employed within, and are supportive of the approach and governance used to update the FCC. The use of weekly Workshops was very helpful in understanding the various elements that make up the FCC and provided sufficient time for points to be raised and suggestions to be tested.

Also, by allowing for the addition of monthly data as it comes to light, the methodology can be compared and tested against the previous version. Initial indications suggest that if applied, this FCC Methodology should result in an aggregate capacity value that more closely aligns to the capacity bookings to be made for Gas Year 2021/22.

Q2. Do you agree that this FCC Methodology is an improvement on existing FCC Methodology which is in place currently?

A2. Yes, we agree that the proposed FCC Methodology is an improvement on the existing version.

The introduction of the Exit Capacity Planning Guidance (ECPG) document under RII02, which forms part of new License condition **A57: Exit Capacity Planning**, will see Gas Distribution Networks (GDN) more closely align their capacity bookings to the Peak 1-in-20 Demand Forecast. It follows therefore, that the use of the 1-in-20 forecast within the FCC should result in a more accurate aggregate capacity value.

We appreciate the engagement to date, and hope that our feedback adds value to future discussions on this matter.

This response is made on behalf of Cadent and can be published by National Grid. If you have any further questions, please do not hesitate to contact me using the details at the top of this letter.



Yours sincerely
By email

Gurvinder Dosanjh
Industry Codes Manager