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Dear Alsarif

## **RE: Notice of NTS Annual Quarterly (Entry and Exit) Interconnection Point (IP) Reserve Prices**

The Annual Quarterly Auctions for Entry and Exit Capacity for Interconnection Points (IPs) are due to be held during August 2022 for capacity from 1st October 2022 to 30th September 2023.

National Grid is publishing this Notice of NTS Transportation Charges providing at least one months' notice in advance of the Annual Quarterly Auctions, consistent with our Licence obligations.

Capacity reserve prices for the Annual Quarterly Auctions are calculated in accordance with the arrangements set out in Section Y of the Uniform Network Code (UNC) and UNC Code Modification 0796<sup>1</sup>, which was approved by Ofgem for implementation from 1 October 22 on 25<sup>th</sup> May 2022.

The reserve prices for the Entry Annual Quarterly IP Auction are detailed in Table 1.

Final Exit prices for Capacity auctions applicable from 1st October 2022 are detailed in Table 2, and will apply to the following:

- Exit Annual Yearly IP Capacity Auctions,
- Exit Annual Quarterly IP Capacity Auctions,
- Exit Rolling Monthly IP Capacity Auctions,
- Exit Rolling Day Ahead IP Capacity Auctions,
- Within Day IP Capacity Auctions for Exit Capacity.

NTS large price steps for Capacity in the Annual Quarterly IP (Entry and Exit) auction will be the greater of 5% of the applicable capacity reserve price and 0.0001 p/kWh/day.

The suite of values to cover the transparency on the charges and values that underpin them, in accordance with the EU Tariff Code, is to be published before the end of August 2022. In the meantime, National Grid will be looking to host a webinar that will provide an opportunity for National Grid to talk through the charges, including the revenue values that underpin them along with an update on key changes to how specific inputs have been calculated. We will communicate more details on this in June.

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<sup>1</sup> <https://www.gasgovernance.co.uk/0796>

If you have any questions or feedback relating to this notice, or NTS charges in general, please contact our charging team at [Box.NTSGasCharges@nationalgrid.com](mailto:Box.NTSGasCharges@nationalgrid.com)

Yours sincerely

Chris Logue  
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Table 1 – **Entry** Reserve Price for Interconnection Points for IP Annual Quarterly Auctions

<b>EU Interconnector Points (IPs)</b>	<b>From 1 Oct 2022 to 30 Sep 2023 Pence per kWh per day</b>
Bacton IP	0.0851

Table 2 – **Exit** Reserve Price for Interconnection Points for IP Annual Quarterly Auctions

<b>Offtake Point</b>	<b>Type of Offtake</b>	<b>From 1 Oct 2022 to 30 Sep 2023 Pence per kWh per day</b>
Bacton (exit) IP	Interconnector	0.0218
Moffat (Irish Interconnector)	Interconnector – Firm, Exit only	0.0218