



# Planning & Advanced Reservation of Capacity Agreement (PARCA)

A guide to Capacity Indicators

April 2024



## Document revision history

| Version Number | Date of Issue | Notes on changes     |
|----------------|---------------|----------------------|
| 1.0            | October 2018  | Document creation    |
| 2.0            | April 2024    | National Gas rebrand |

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# Introduction

## Background

This guide is to help our customers understand the Capacity Indicators that have been introduced. These will be used within the PARCA process when reserving capacity on the National Transmission System (NTS).

The guide should be read alongside the Planning and Advanced Reservation Capacity Agreement (PARCA) – a guide for customers available on our website and updated April 2024.

<https://www.nationalgas.com/reserving-capacity-parca-and-cam>

A PARCA is a multi-phased bilateral contract between National Grid and a customer which allows firm quarterly system entry capacity and/or firm enduring annual NTS exit (flat) capacity to be reserved for the customer while they develop initial phases of their own project.

The rules and process relating to NTS Capacity and PARCA are contained with the Uniform Network Code (UNC) – Transportation Principal Document (TPD) section B. B1.14 to B1.18 specifically relates to PARCA.

Gas Transmission Capacity Guidelines – a customer guide contains information on the entry and exit capacity processes.

<https://www.nationalgas.com/capacity>

## Implementation

Project CLoCC was a Network Innovation Competition (NIC) project with the objectives of reducing the time and cost of connecting to the NTS.

Standard Design Connection has been introduced by Project CLoCC utilising standard designs.

A modification to UNC was made by Project CLoCC to align the PARCA process to the connection process for a Standard Design Connection.

Modification 0628s implemented with effect from 30th October 2018 introduces Capacity indicators into UNC and PARCA process.

<https://www.gasgovernance.co.uk/index.php/0628>

## Capacity Indicator - FAQs

What are Capacity Indicators?

Capacity Indicator is defined in the UNC.

The UNC defines it as follows:

*In relation to a PARCA Application a "Capacity Indicator" is a classification (green, amber or red) assigned to a PARCA Application following National Gas NTS's initial assessment of whether or not National Grid NTS expects to be able to make available the System Capacity applied for under the PARCA Application.*

It is essentially a traffic light indicator that is designed to provide customers with information about the likelihood of the capacity they require to be met by existing capacity on the NTS.

A Capacity Indicator can be Green, Amber or Red.

A Capacity Indicator can have the state of:

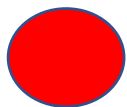
- Indicative – the initial Capacity Indicator received.
- Assigned – Following validation from National Gas a Capacity Indicator will be classed as Assigned.



**Green – faster PARCA route**



**Amber – further analysis required**



**Red – existing PARCA process**

## What do they mean?

A Green Capacity Indicator means that National Gas expects to be able to make the capacity available from existing NTS capacity.

An Amber Capacity indicator means that National Gas need to undertake further analysis before it can determine whether or not it expects to be able to make the capacity available from the existing NTS Capacity.

A Red Capacity indicator means that National Gas expects not to be able to make available the capacity from existing NTS Capacity and needs to do further analysis. This does not mean it is not possible but that it will take longer as reinforcement to the system may be required.

An Amber Capacity Indicator will become Green or Red following National Gas validation.

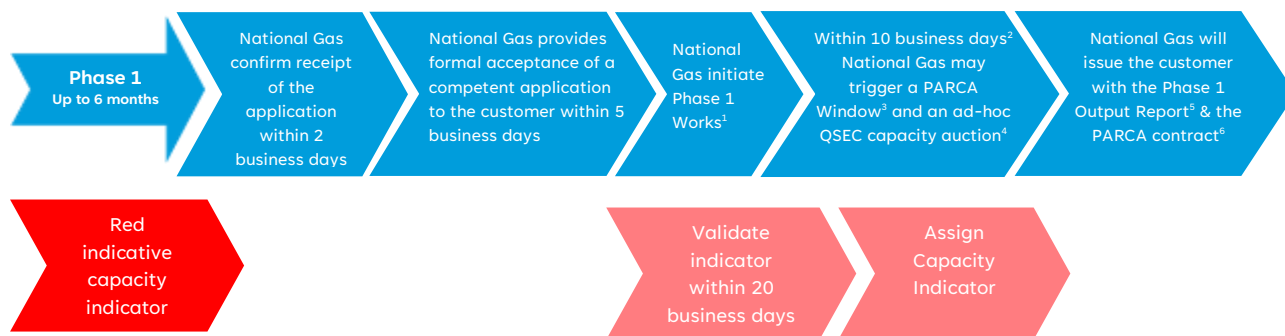
## How and when are they are used?

Indicative Capacity Indicators are used in the Pre-application stage of PARCA to inform the customer of the expected timeline for the PARCA process and to set the application fee.

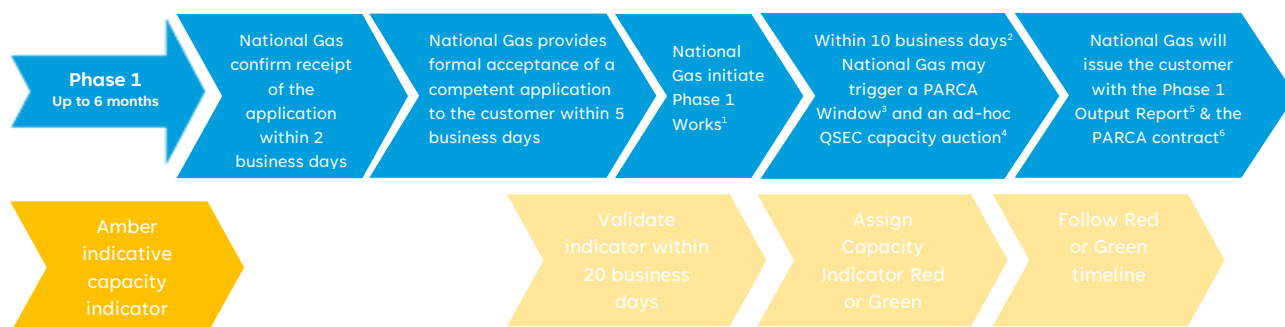
On Application, an Indicative Capacity indicator is validated by National Gas and a Capacity Indicator is assigned.

In relation to the PARCA phase 1 timeline the Capacity Indicator will be in parallel as follows:

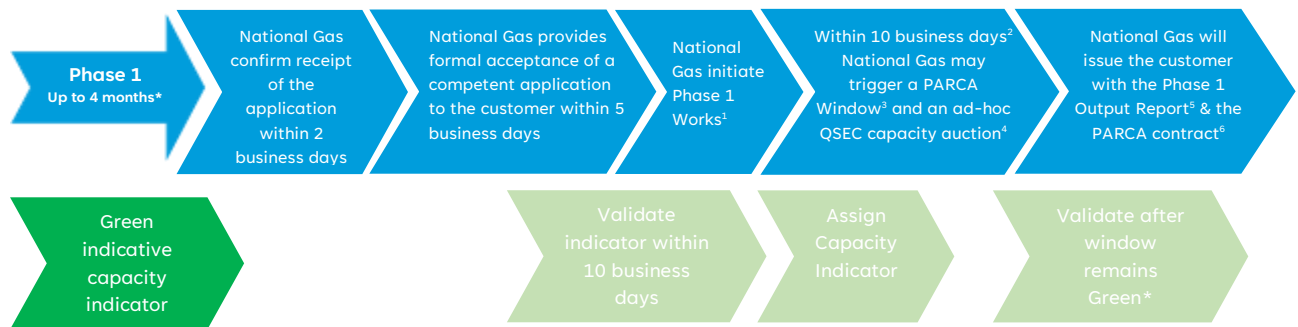
### Red Capacity Indicator timeline



### Amber Capacity Indicator timeline



## Green Capacity Indicator timeline



\*If Red, follow Red timeline

## Where can I get a Capacity Indicator?

Indicative Capacity Indicators are available from 2 sources:

1. From the gas connections portal when a Cost Estimate is provided for a Standard Design Connection under 57.3gwh/d. The Cost Estimate will include the Indicative Capacity Indicator.
2. For non standard design connections, from National Grid by request to [NTSinvestment@nationalgrid.com](mailto:NTSinvestment@nationalgrid.com), this will be provided as soon as practicable.

## Who can get a Capacity Indicator?

Any customer (including Distribution networks) looking for information on potential Capacity reservation can get a Capacity Indicator.

Existing customers (including Distribution Networks) looking to get additional capacity can use the Portal cost estimate by entering their postcode and flow (additional quantity up to 57.3gwh/d) and pressure details as if they were a new connection and select the Greenfield site option.

## Can Capacity Indicators change?

Yes, Capacity Indicators can change.

Initially an Indicative Capacity Indicator is provided. Following validation by National Grid this is Assigned.

During the Phase 1 PARCA works a PARCA application assigned with a green Capacity Indicator may be reassigned with a red Capacity indicator were:

- (a) National Grid NTS determines, acting reasonably, that for reasons outside its control, it will require up to six (6) months to complete the works;
- (b) as a result of further PARCA Applications received during the PARCA Window (in relation to the PARCA Application), National Grid NTS is required to undertake additional network analysis for the purposes of completing the Phase 1 PARCA Works.

The capacity Indicator can change between these stages. An example of how this could change is given below along with the scenarios of the multiple combinations.

Indicative – Amber

Assigned – Green

Following PARCA Window – Red

| Option                               | Indicator | Validation | Window | PARCA Stage 1 impact  |
|--------------------------------------|-----------|------------|--------|---|
| A: Green no apps in window           | Green     | Green      | Green  | Best case – shorter window can offer quickest.                                    |
| B: Green apps in window, stays Green | Green     | Green      | Green  | Window open longer but can potentially offer after window closed. Green timeline. |
| C: Green apps in window turn Red     | Green     | Green      | Red    | App turn Red due to another app in the window interacting. Red timeline.          |
| D: Green/Red                         | Green     | Red        | Red    | Green is validated a Red. Unlikely but possible. Red timeline.                    |
| E: Amber/Green                       | Amber     | Green      | Green  | Amber is validated as Green and stays Green. Green timeline.                      |
| F: Amber / Green / Red               | Amber     | Green      | Red    | Amber is validated as Green but after window is Red. Red timeline.                |
| G: Amber / Red                       | Amber     | Red        | Red    | Amber validated as Red. Red timeline.   |
| H: Red                               | Red       | Red        | Red    | Red timeline  |

### Why do Capacity Indicators change?

As mentioned above they can change do to a change in the background data this can be triggered for various reasons such as:

- A PARCA application entering Phase 1
- A PARCA application exiting Phase 1
- Termination of a PARCA
- Long Term Capacity bookings (e.g. Entry QSEC and Exit Annual)

These triggers will mean we will update the data being used by the portal.



## Contact us

If you are considering applying to reserve capacity or require further information regarding Capacity indicators or PARCAs after reading this document, please visit our website for further information at:

<https://www.nationalgas.com/reserving-capacity-parca-and-cam>

or contact us regarding your potential application at:

[box.UKT.customerlifecycle@nationalgas.com](mailto:box.UKT.customerlifecycle@nationalgas.com)