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7th November 2018

Our Ref: 2018 – Staythorpe Power Station- ExCS

Dear Industry Colleagues,

Staythorpe Power Station ExCS Informal Notice (including exit Substitution & Baseline Revision)

National Grid Gas plc (“National Grid”) received a Planning and Advanced Reservation of Capacity Agreement (PARCA) application on 9th April 2018. The application achieved competency¹ on 9th May 2018. The application requested firm Enduring Annual NTS exit (Flat) Capacity² in excess of the prevailing baseline capacity level at the Staythorpe NTS Exit Point. The application requested up to:

- 82,000,000 kWh/d from 1st January 2021

The PARCA application triggered Phase 1 of the PARCA process on 9th May 2018.



As part of Phase 1 works, National Grid completed network analysis to identify the most appropriate and robust solution to accommodate the capacity being requested. The Phase 1 process identified that the capacity request could be met by;

- Reservation of Existing Unsold capacity at Staythorpe DC from 1st January 2021 to 31st March 2023.
- Substitution of unsold exit capacity from Silk Willoughby GDN (EM) offtake, Peterborough Power Station DC, Tatsfield GDN (SE) offtake, Farningham B GDN (SE) offtake, Farningham GDN (SE) offtake, and Shorne GDN (SE) offtake from 1st April 2023.

This informal notice signifies the end of PARCA Phase 1, and the first opportunity for industry parties to raise any concerns around the method to meet the additional capacity request in this location.

¹ As per Uniform Network Code, Transportation Principal Document, Section B – System Use and Capacity, para. 1.15.4.
² Please note that this notice contains terminology relating to Exit Capacity which is used in the Licence and in the Uniform Network Code (“UNC”). Licence defined capacity terms are given in ***bold italics***.

Application for Capacity Release

Substitution of Unsold Capacity from April 2023

As part of the Phase 1 works, National Grid completed network analysis to assess the impact the capacity had on the existing network.

In accordance with the Gas Transporter Licence³, substitution⁴ of **Non-incremental Obligated Capacity** has been assessed and identified as being able to partially meet the Firm Enduring Annual NTS (Flat) Capacity requirements in excess of the prevailing baseline NTS Capacity at the Staythorpe NTS Exit Point.

National Grid therefore proposes that from:

- **From 1st April 2023** the additional Baseline NTS Capacity identified at Staythorpe exit point can be met in part by substituting unsold NTS Baseline Capacity from Silk Willoughby GDN (EM) offtake, Peterborough Power Station DC, Tatsfield GDN (SE) offtake, Farningham B GDN (SE) offtake, Farningham GDN (SE) offtake, and Shorne GDN (SE) offtake from.

Statement of proposed Non-incremental Capacity substitution in accordance with Special Condition 5G paragraph 6 (formerly paragraph 4(a) (iv) of Special Condition C8E) of the Licence:

Recipient NTS Point	Donor NTS Exit Points	Capacity Donated (kWh/d)	Capacity Received (kWh/d)	Exchange Rate (Donor: Recipient)
Staythorpe	Silk Willoughby	1,070,148	1,349,996	0.7927:1
Staythorpe	Peterborough Power Station	20,480,000	14,809,979	1.3829:1
Staythorpe	Tatsfield	7,826,972	5,766,692	1.3573:1
Staythorpe	Farningham B	37,509,029	25,198,333	1.4886:1
Staythorpe	Farningham	48,496,593	32,814,167	1.4779:1
Staythorpe	Shorne	4,710,000	2,060,825	2.2855:1

³ Special Condition 5G (formerly paragraph 3(c) (i) of Special Condition C8E).

⁴ During October 2015, the Authority approved the Exit Capacity Substitution and Revision Methodology Statement (the "Methodology") pursuant to Special Condition 9A.

Baseline Modification Proposal:

<i>NTS Point</i>	<i>Type</i>	<i>Recipient / Donor</i>	<i>Current Baseline (kWh/d)</i>	<i>Proposed Baseline (kWh/d)</i>	<i>Remaining unsold capacity (kWh/d)</i>
Staythorpe	DC	Recipient	0	82,000,000	0
Silk Willoughby	DN	Donor	3,273,238	2,203,090	0
Peterborough Power Station	DC	Donor	23,280,000	2,800,000	0
Tatsfield	DN	Donor	200,601,605	192,774,633	0
Farningham B	DN	Donor	117,883,000	80,373,971	0
Farningham	DN	Donor	135,120,000	86,623,407	0
Shorne	DN	Donor	67,060,000	62,350,000	42,523,893

Appendix 1 provides additional information regarding the proposal to demonstrate that National Grid has determined its proposals for capacity substitution in accordance with the Methodology.

I would therefore be grateful if you could acknowledge receipt of this written proposal and the date on which it was received.

If you require any further information, please contact myself or Mark Hamling, Gas Network Capability Manager on 01926 654276.

Yours sincerely,

Craig Dyke

Gas Network Development Manager
Network Capability & Operations, Gas
System Operator
National Grid