

Interesting Days



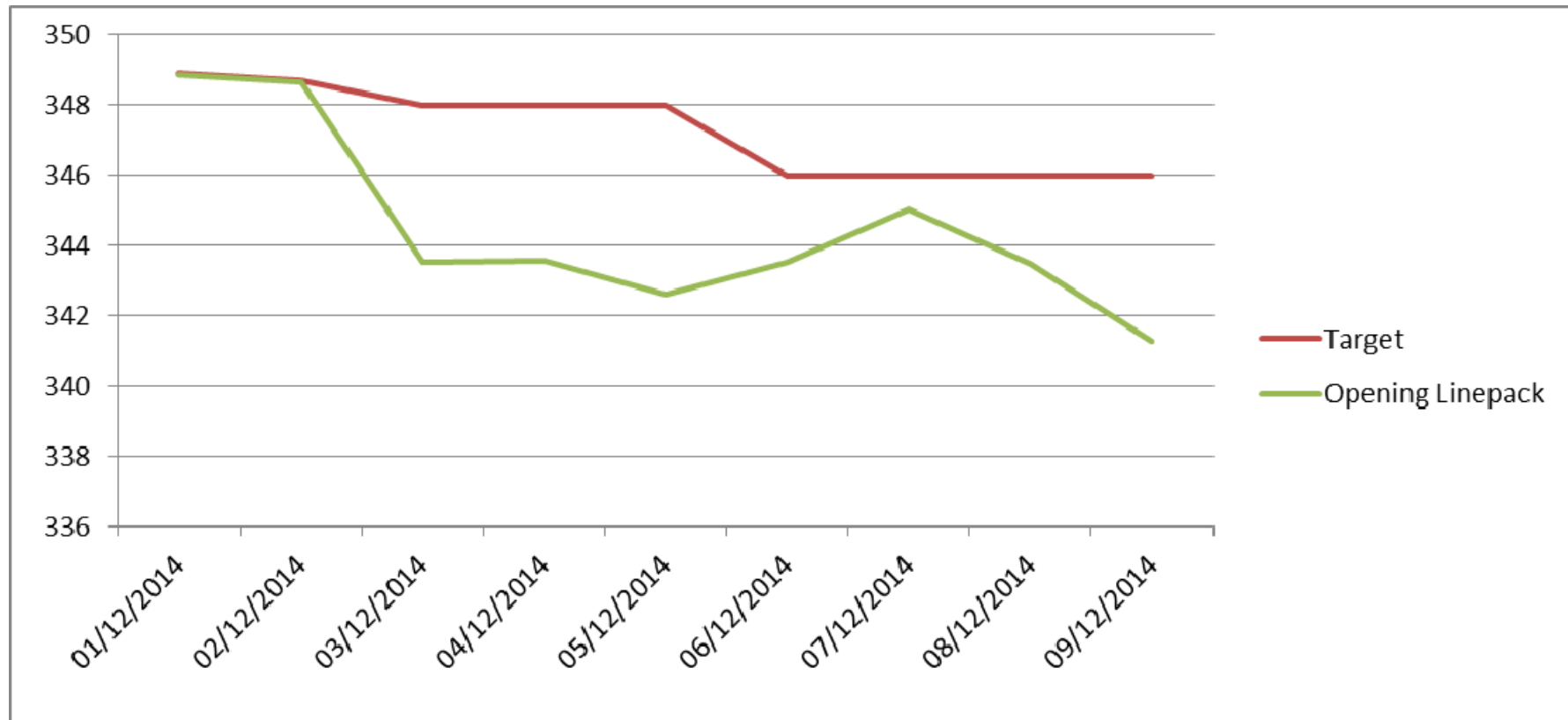
Balancing Issues – December 2014



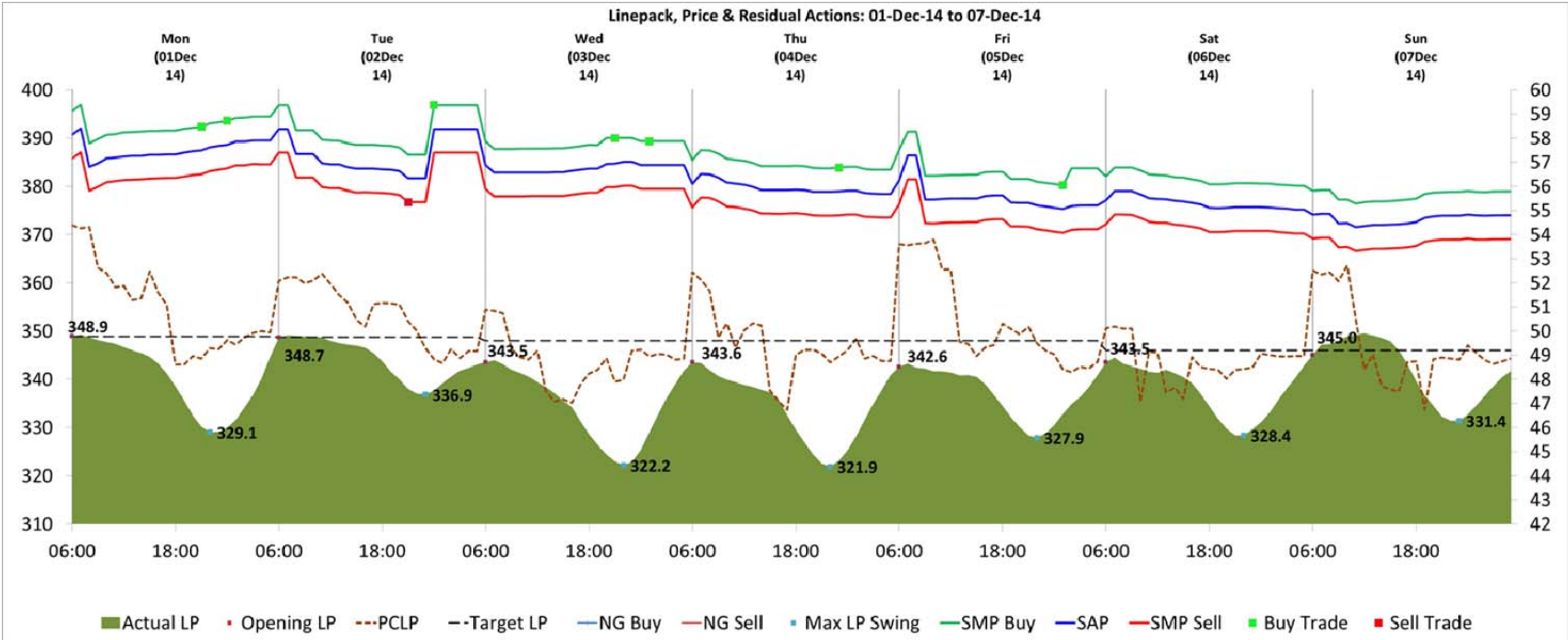
Overview

- Early December resulted in trading activities occurring without meeting the preferred target
- Gas Day 2nd December saw a loss of 5.1mcm linepack resulting in the Opening position being below the desired level .
- The following Gas Days saw a pattern of being over-supplied during the day before going under supplied later.
- Trading occurred later in the day but didn't result in achieving an End of Day over delivery position to get back to target.

Opening Linepack Vs Target



Gas Days 1st – 7th December

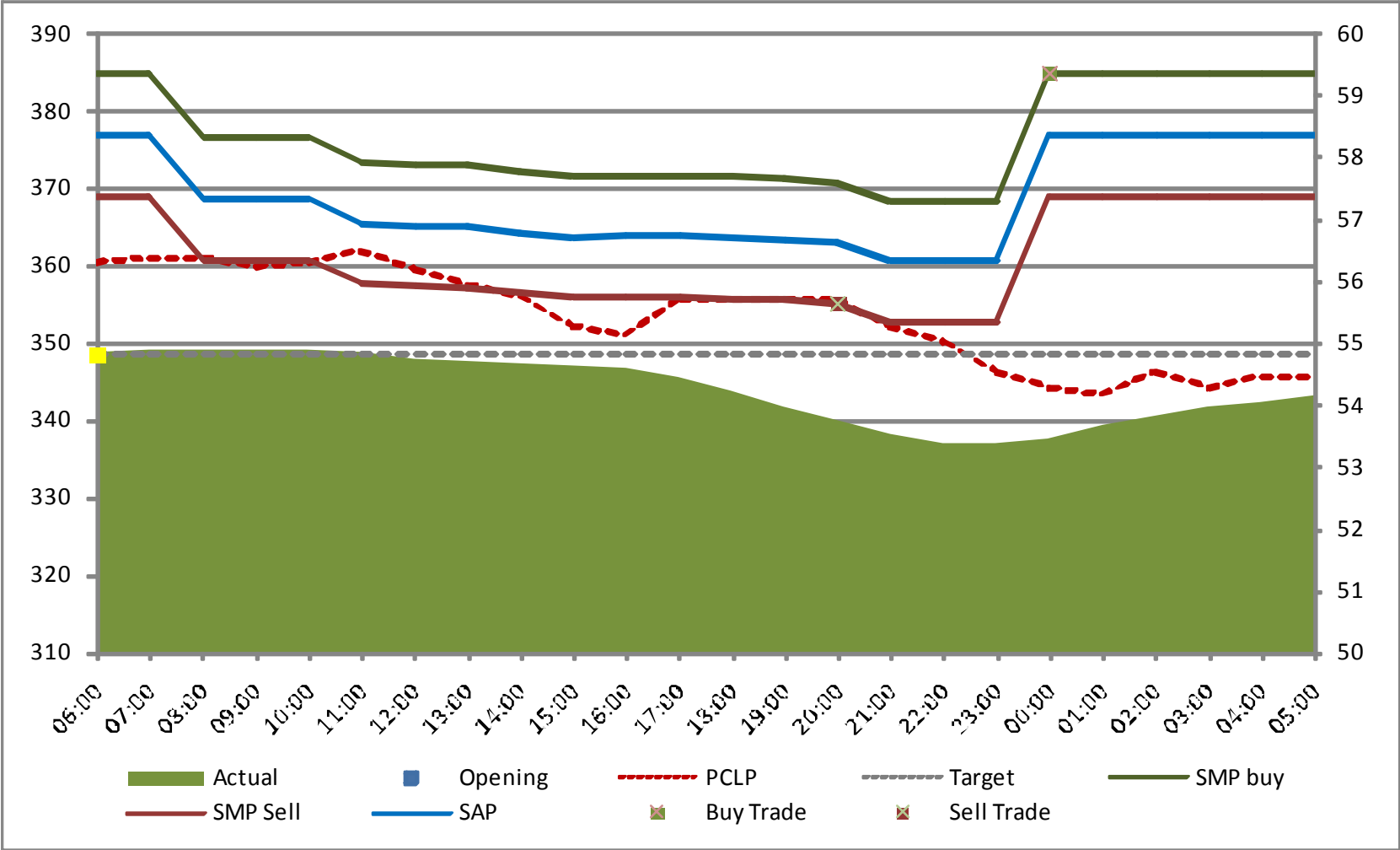


Gas Day 2nd December 2014



NTS Optimisation

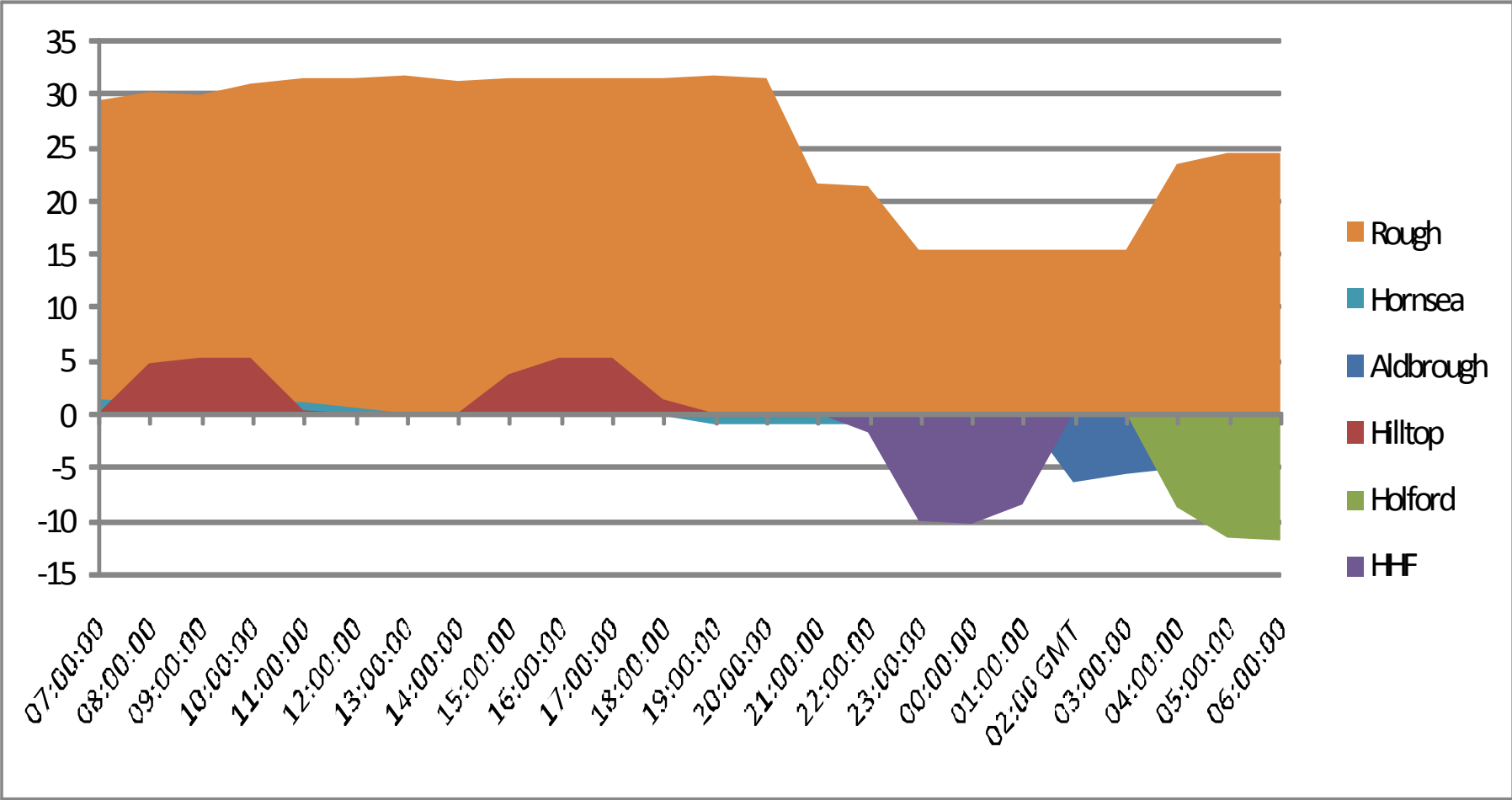
2nd December – Gas Day Chart



2nd December – Responses to trading activities

20:27	-1.0	Interconnector	Export increase
21:00	-2.8	LDZs	Area demand increase
21:05	-1.3	MRS	Storage Injection
21:29	-1.0	LRS	Decrease withdrawal
21:32	-3.6	MRS	Storage Injection
00:00	-1.2	LDZs	Area demand increase
00:18	-1.4	MRS	Storage Injection
01:06	2.3	MRS	Decrease Storage Injection
01:08	0.5	Interconnector	Export decrease
01:41	0.7	MRS	Decrease Storage Injection
02:09	-2.6	UKCS	Supply loss
02:22	0.2	LRS	Increase storage withdrawal
03:29	2.0	UKCS	Supply Increase

Storage Behaviour



Results

- Less response to Buy actions and a Supply Loss late in the day have left the network lighter than normal.
- No concerns over shipper balances with no single shipper being responsible for any major linepack loss.
- Demand on 4th December had increased to approx 320mcm which resulted in an operationally challenging day.

Gas Day 8th / 9th December 2014

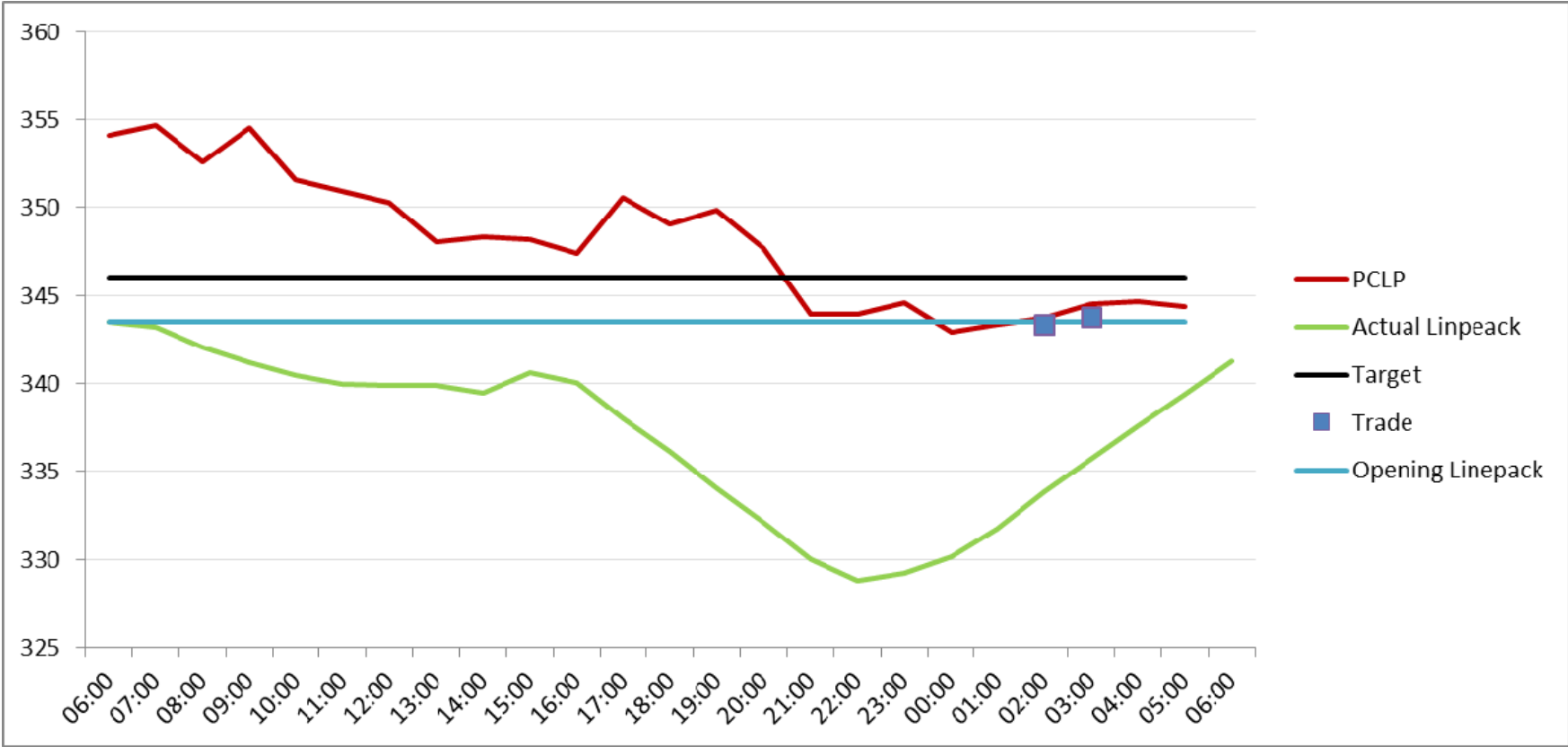


NTS Optimisation

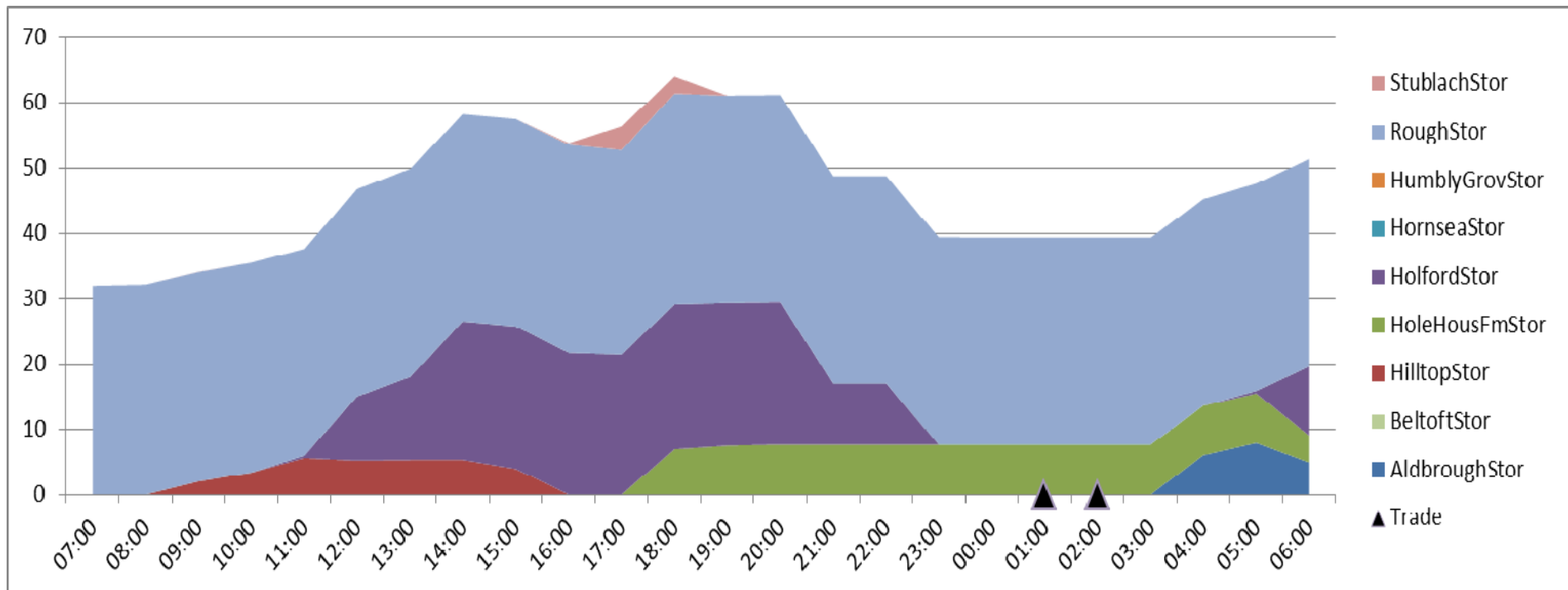
Overview – 8th December

- Gas Day started with Linepack of 343.5mcm. Target was set at 346.0. Initially 8.1mcm heavy.
- Balance remained heavy of target until 21:00hrs.
- PCLP moved below Opening Linepack position at Midnight.
- Decision taken to buy at 01:00hrs. PCLP 0.1mcm below opening but 2.7mcm below target Bought 2mcm but no marginal price set.
- By 02:00hrs, only minor changes had been seen and the imbalance remained approximately the same so a further balancing action was taken
- A single trade was taken, setting SMPB at 56.1p. MRS responded quickly with 1.2mcm nominated.
- The system closed at 341.3mcm. This was 3.1mcm lighter than predicted.

Gas Day Chart – 8th December



Storage Response – 8th December



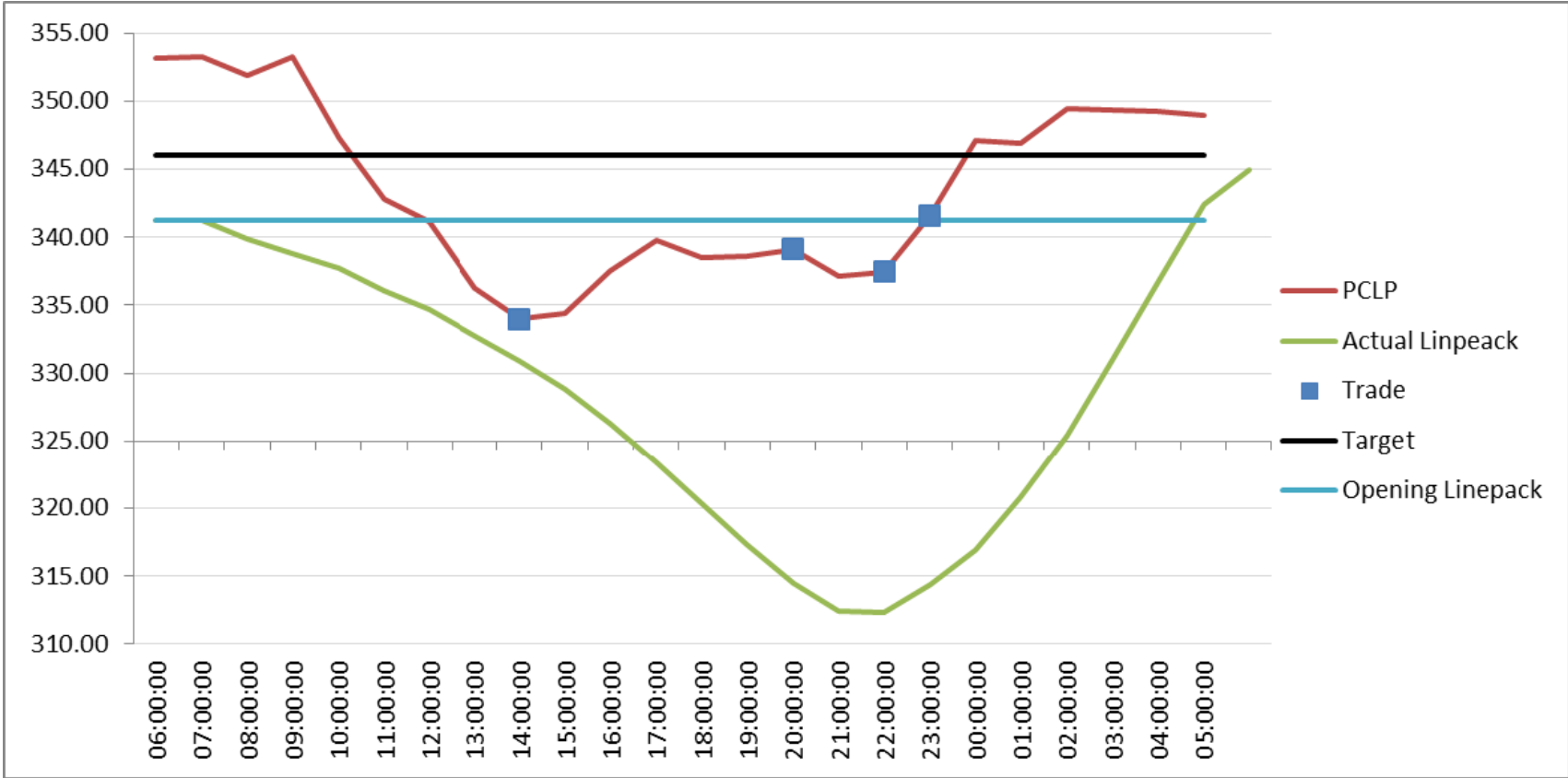
Results

- Holford and Aldbrough Storage were the major responses to the late trading.
- Although individual sites were flowing within their contractual tolerances, the cumulative effect of all discrepancies resulted in Actual Linepack being short of predicted.

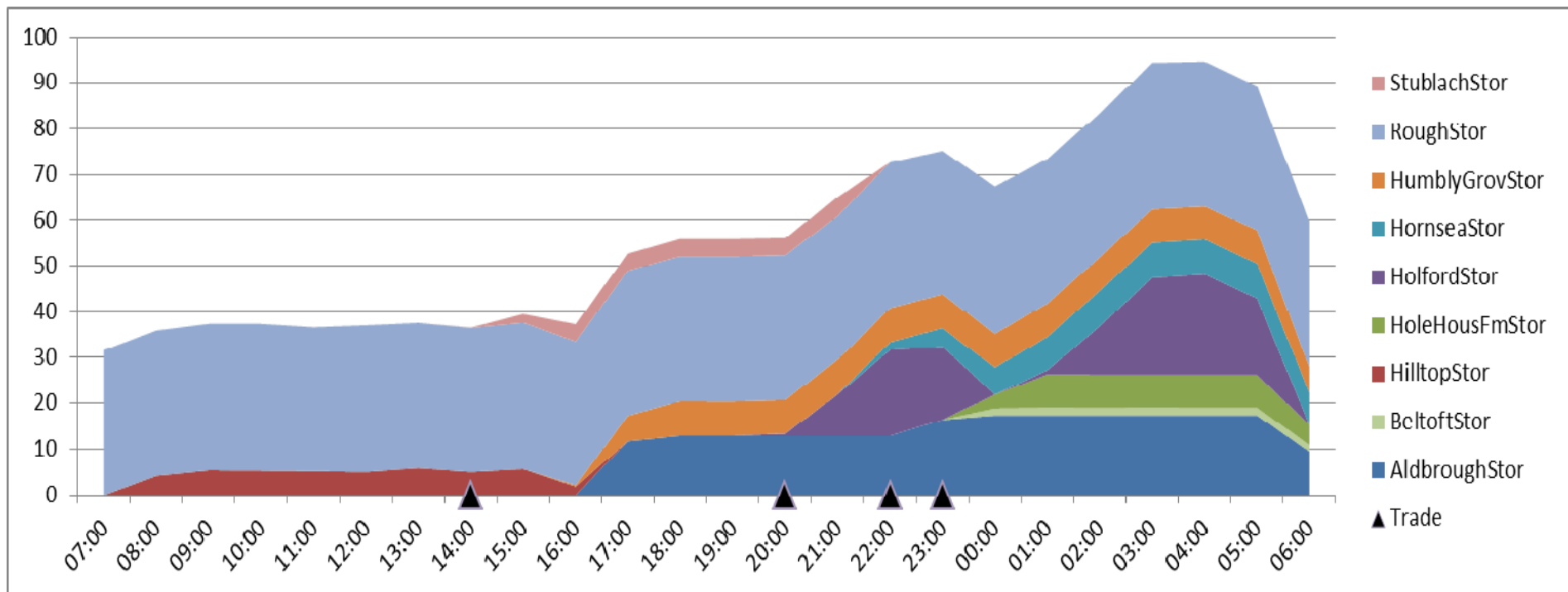
Overview – 9th December

- Gas Day 9th December opened lighter than required at 341.3mcm as we had been for the last week. Target remained at 346.0mcm
- Balance started heavy but went light by 11am
- Balance was 12mcm light by 14:00hrs and decision taken to trade early as later trading had been unsuccessful earlier in the week.
- Actual linepack losing 2mcm per hour at this stage.
- Buys 1.6mcm. SMPB set at 56p, although subsequent trading quickly changes this.
- MRS responded with 11.2mcm withdrawal
- Further trading actions were taken later in the Gas Day as the balance remained below target.

Gas Day Chart - 9th December



Storage Response – 9th December



Summary

- Following previous days lack of response to late actions, a change of approach to an early trade was valid and within the existing strategy.
- The results of the trading were significant, with significant volumes of gas nominated at MRS.
- The EOD position, following further trading, showed an increase of 3.6mcm.

Gas Day 12th January 2015

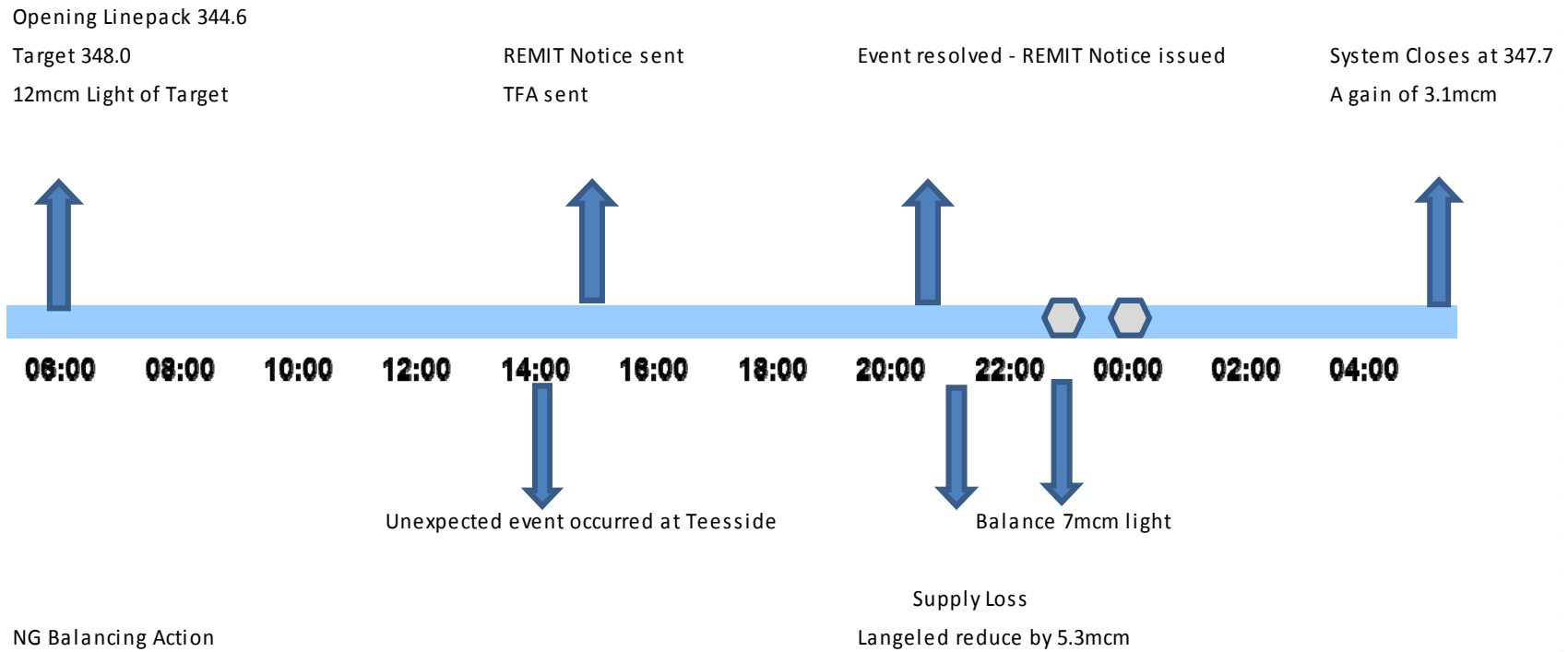


Operational Performance
NTS Optimisation

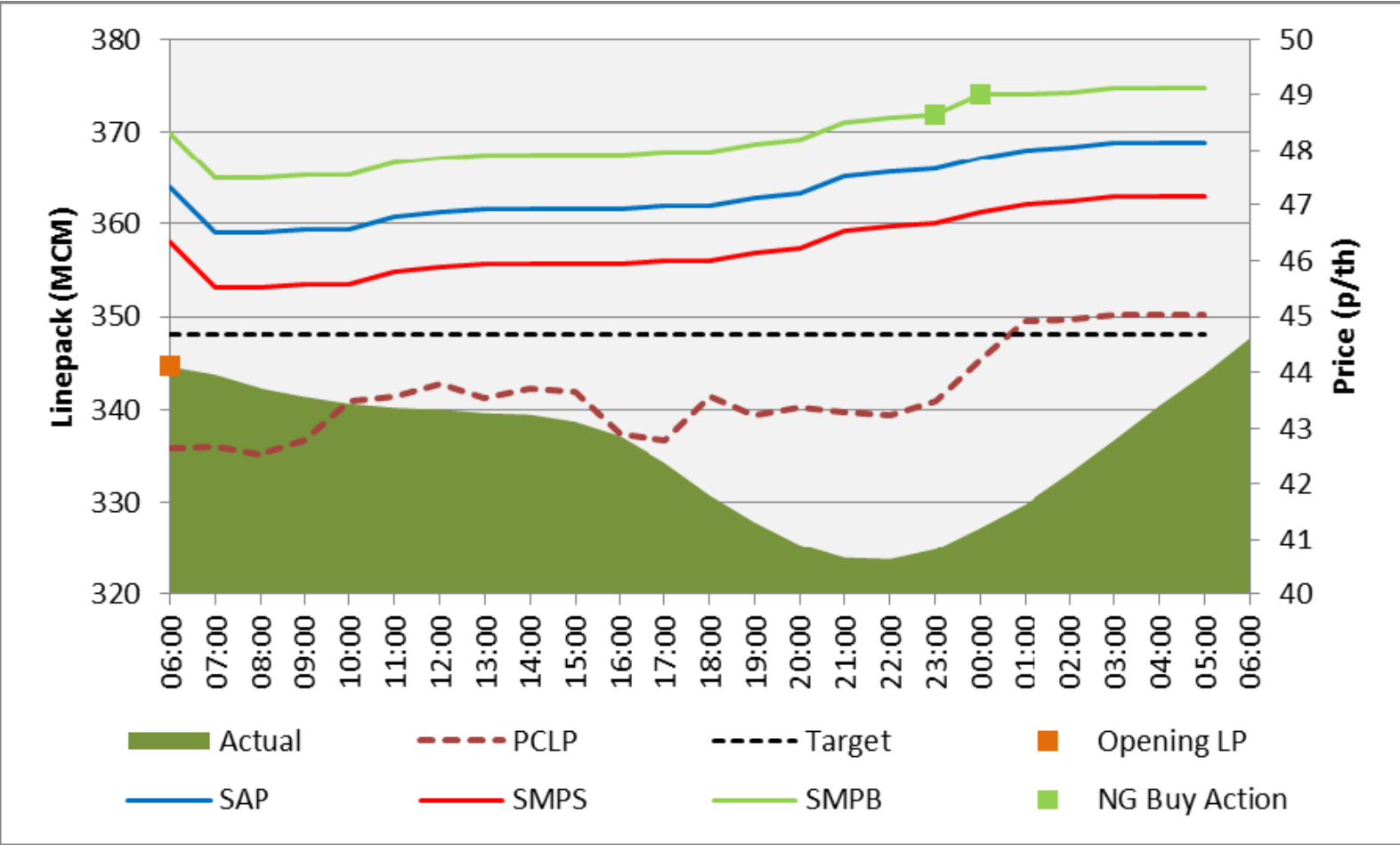
Overview

- Gas Day started with Linepack of 344.6mcm. Target was increased to 348.0mcm. Initially 12mcm light of target.
- At 14:30 an unexpected event occurred resulting in no flows being possible from Teesside Terminal.
- External communications sent via REMIT and ANS at 15:50
- Incident team are formed. Further REMIT & ANS issued at 19:13
- The event resolved at 20:54.
- External communications via REMIT & ANS sent at 21:00.
- A Norwegian supply loss sees Langedale reduce by 5.3mcm at 21:12. Balance remains 7mcm light of target at 23:00hrs, and with the potential of further supply losses, the decision was taken to go to the market.
- Trading procures a total of 5.2mcm over two hours. SMPB set at 49.0p. Response seen at Dragon and MRS.
- System closes at 347.7mcm. A gain of 3.1mcm over the day.
- National Grid investigation into the causes are ongoing.

Gas Day: 12th January Timeline



Gas Day Chart

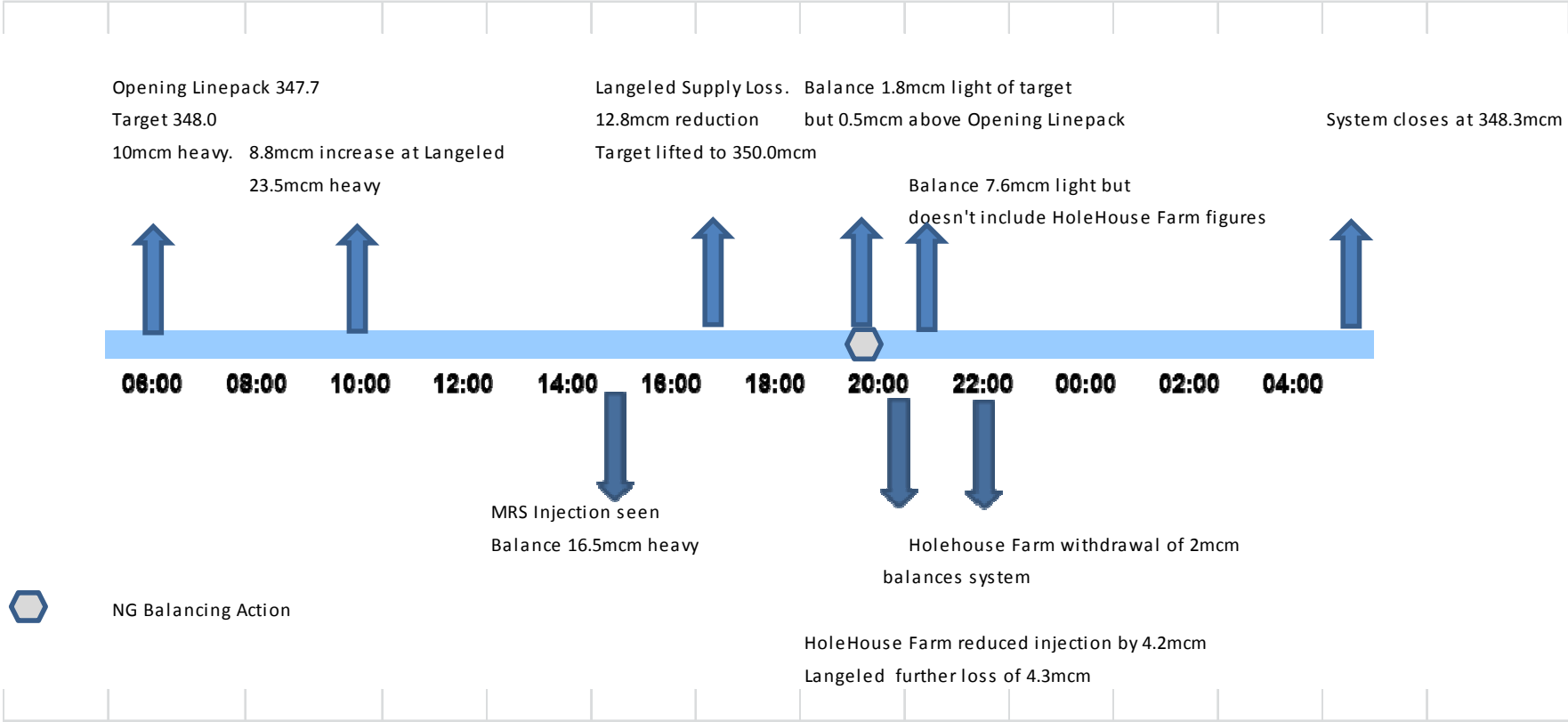


Gas Day 13th January 2015

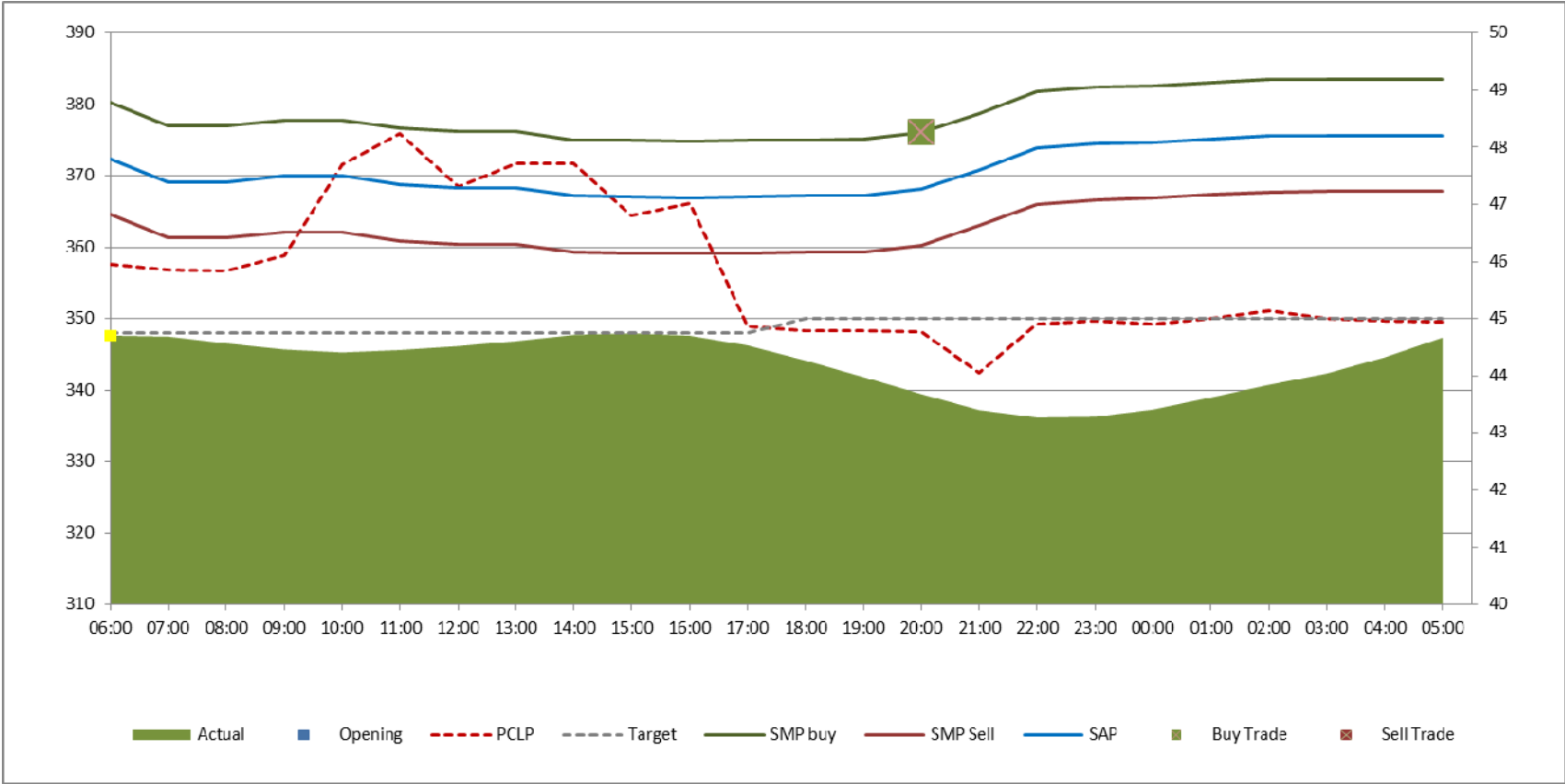


Operational Performance
NTS Optimisation

Gas Day 13th January



Gas Day Chart – 13th January



Gas Day 19th January 2015

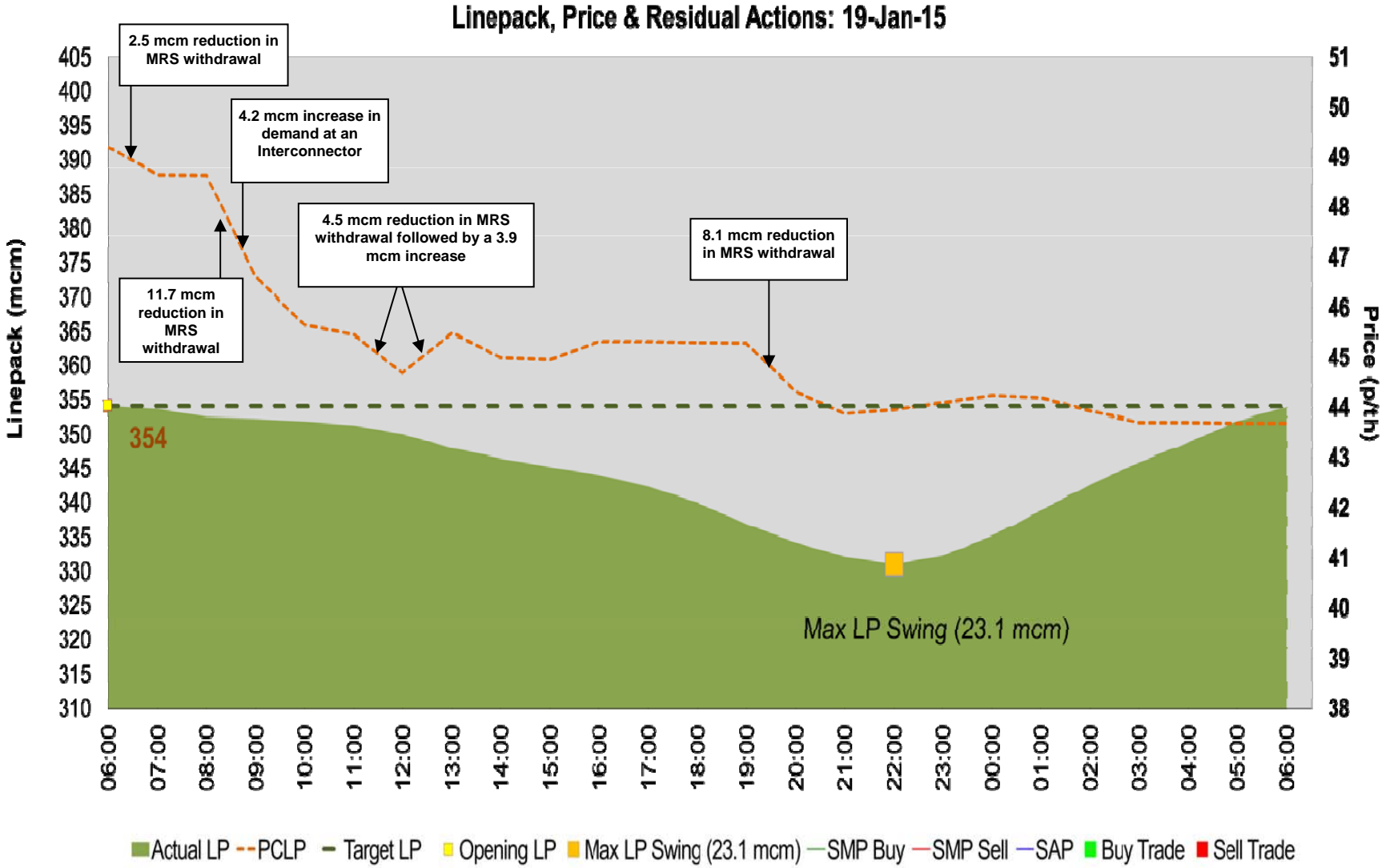


Operational Performance
NTS Optimisation

Overview

- Gas Day started with Linepack of 354.1mcm. Demand was 357.7mcm with Supply at 395.5
- Powerstations were up by 23mcm from the previous day and LDZs by 30mcm.
- Prices dropped from 48p to 45p in first hour.
- MRS were the first to react to the new price reducing supply by 11.7mcm
- Supply/Demand surplus reduced to approx 12mcm by 10:00 with interconnectors increasing by 4.2mcm and UKCS reducing by 2.6mcm
- Balance remained between 9mcm and 11mcm heavy until 20:00hrs when further MRS withdrawal reductions of 8.0mcm occurred.
- Demand closed at 363.4. The highest demand seen since 27th March 2013.
- The system closed at 353.9mcm. This was a loss of 0.2mcm on the day.

Linepack, Price & Residual Actions



Instantaneous Supply and Demand

