Notice of Gas Transmission Transportation Charges

Effective from 1 October 2015

Introduction

NTS Charges to Apply From 1 October 2015

This notice is issued in line with National Grid Gas' ("National Grid") Transporters Licence in respect of the NTS and our obligations contained in the Uniform Network Code, which requires National Grid to provide at least two months' notice of changes to its gas transportation charges. This notice details changes that will apply from 1 October 2015 and follows the 'indicative notice' published on 1 May 2015. For the avoidance of doubt all charges **not** mentioned in this notice are unchanged from those in the 1 April 2105 Transportation Charging Statement¹, although we have included the NTS Exit Capacity charges for reference in Appendix 4 which were published on 1 May 2015 and have not changed since then.

This notice is split into four parts:

- TO Charges
 - TO Entry and Exit Commodity
 - TO Entry Capacity Reserve prices 2016/17
- SO Charges
 - SO Entry and Exit Commodity
 - St Fergus Compression
- Tools and Supporting Information
- Appendices

Basis of preparing the charges

National Grid sets its charges to recover the price controlled allowances set by Ofgem. The current price control RIIO-T1 applies from 1 April 2013 to 31 March 2021.

Charging Base

Updated demand forecasts were received at the end of May 2015 and the charge calculations continue to be based on the Gone Green scenario. Compared to the April 2015 charges, which were based on last year's demand forecasts, LDZ demand is forecast to be lower; Power Generation has moved up the merit order compared to coal which has meant more demand in Power Generation; flows to Ireland have increased to adjust for a slower ramping up of the use of the new Corrib field off Ireland and forecasts of exports to Europe have increased following stakeholder feedback. The net change is an increase by 4 % in demand. Taking into account the flows for the first three months of

¹<u>http://www.gasgovernance.co.uk/sites/default/files/Transportation%20Charging%20Statement%20April%202015new.pdf</u>

Introduction

the year, we are setting the charges using a demand that is about 3% higher than that used in setting April 2015 charges. However, much of this increase in demand is assumed to be using the NTS Optional Commodity charge.

The reasons for the revised changes to all the charges being updated are outlined in the following sections.

TO Charges

TO Allowed Revenues

National Grid has completed its assessment of the allowed revenue for 2014/15 and due, to an under recovery on the Entry side, there will be no TO Entry Commodity rebate with respect to 2014/15. This TO Entry under-recovery with respect to 2014/15 will feed through into 2016/17 allowed revenues.

The TO allowed revenue remains unchanged at £749m compared to the April 2015 charge setting value.

NTS TO Commodity Charges

NTS TO Entry Commodity Charge

The NTS TO Entry Commodity charge levied on Entry flows will increase to **0.0481** p/kWh (7%) from its current rate of 0.0451 p/kWh, and an average rate of 0.0470 p/kWh. This compares to the average rate of 0.0382 p/kWh in 2014/15.

The charge has increased due to;

- Lower than expected flows in the first half of this year.
- There is an increase in the forecast TO Entry Commodity revenue to be collected during this period of around £5m, increasing the TO Entry Commodity charge by around 3%. This is primarily due to less revenue collected through the monthly Entry Capacity auctions.

The final rate is in line with the October 2015 indicative value.

NTS TO Exit Commodity Charge

The TO Exit Commodity charge, which was introduced in October 2012, is a residual charge to enable National Grid to collect the correct TO Exit income from Exit shippers when NTS Exit Capacity has not been booked up to the aggregate baseline levels.

Taking into account the Exit Capacity charges and Capacity bookings for the remainder of the year, the TO Exit Commodity rate is **0.0209** p/kWh, an increase of 6% on the current rate of 0.0198 p/kWh.

Reductions in Exit Capacity bookings, following the Exit Capacity Application Window in July, has led to a forecast of £3m less capacity revenue to be collected in the 6 months from October 2015, hence the increase in the Exit Commodity rate.

A summary of NTS TO Commodity charges can be found in Appendix 5.

TO Charges

NTS TO Capacity Charges

TO Entry Capacity Reserve Prices

Revised reserve prices for Capacity bids placed in the 2016 AMSEC auction for 2016/17 have been calculated using National Grid's Transportation Model², which has been updated to reflect changes in demand levels, the pipeline network, supply patterns, obligated Entry Capacity levels, and the cost of investment through the expansion constant, all of which may affect the charges. All prices have been calculated using the NTS obligated Entry Capacity levels.

The forecast peak demand level in 2016/17 is much the same as that in 2015/16, from 5481 GWh/d to 5478 GWh/d. However there have been some changes to the Entry Capacity reserve prices due to the locational changes to supply and demand.

The revised Entry Capacity reserve prices (an updated version of Table 3 from the NTS Gas Transportation Charges Statement) can be found in Appendix 2 of this notice.

Rolling Monthly Auction prices for Interconnection Points have recently been published³ and can be seen in Appendix 3 of this notice.

NTS Exit Capacity Charges

NTS Exit Capacity charges, effective from 1 October 2015, and NTS Exit Capacity charges for Interconnection Points from 1 November 2015, have been published⁴ in a separate notice on 1 May 2015 and are also available for reference in Appendix 4.

² See Supporting Information section for information on how to obtain a copy of our model.

³ <u>http://www.gasgovernance.co.uk/sites/default/files/RMSEC%20notice%20for%20Oct%202015%20inc%20IPs.pdf</u>

⁴ <u>http://www.gasgovernance.co.uk/sites/default/files/Exit%20capacity%20notice%201%20may%202015.pdf</u>

SO Charges

SO Allowed Revenues

SO allowed revenue for 2015/16 is forecast to decrease by £16m to £272m, compared to when charges were set for April 2015. This decrease principally reflects a fall in shrinkage costs due to a revised view of unaccounted for gas and gas prices; and is in line with our view at the indicative stage.

The overall income to be collected from the SO Commodity Charge has also reduced by c. £2m compared to indicative charge setting.

NTS SO Commodity Charges

The NTS SO Commodity charge, as applied to both Entry and Exit flows, is **0.0148** p/kWh (-12%) compared to the current rate of 0.0169 p/kWh. This means that the average NTS SO Commodity rate for 2015/16 is 0.0155 p/kWh compared to an average rate for 2014/15 of 0.0195 p/kWh.

The changes to the rate are due to;

- A forecast reduction in shrinkage costs by £16m impacting on the SO Allowed Revenue. Shrinkage costs are anticipated to be lower than forecast earlier this year due to lower Unaccounted for Gas (UAG) volumes and lower than expected gas prices.
- Revenue from other sources has increased by around £2m due an increase in the use of Optional Commodity (shorthaul) charges. This reduces the revenue to be collected via the SO Commodity charge.

Other SO Charges

The **Compression Charge** levied at the Total Oil Marine sub-terminal at St. Fergus is to decrease from its current level of 0.0175 p/kWh to 0.0152 p/kWh, a 13% reduction. Our forecast of the costs for the compression at the sub-terminal remain about the same, but forecast increase in flows at the Total Oil Marine sub-terminal have led to the rate reduction.

A summary of the SO charges can be found in Appendix 5.

Supporting Information

Supporting Information

Guidance and detailed supporting charge setting information will be made available on the National Grid website at <u>http://www.nationalgrid.com/uk/Gas/Charges/Tools/.</u> This includes:

- detailed information about the components of the TO and SO allowed revenues;
- how they have changed since April's charges were set; and
- how this information in conjunction with the charging base is used to calculate charges.

National Grid will be making the Transportation Model available to parties that have signed the licence agreement for the model. Details of how to obtain the model can also be found at the link above. There will be an opportunity to discuss these changes at a subsequent NTS Charging Methodology Forum (NTSCMF), details of which can be found at <u>http://www.gasgovernance.co.uk/ntscmf/.</u>

Getting in touch

If you have any questions or feedback about this document, or NTS charges in general, please contact Karin Elmhirst (01926 655540) or Colin Williams (01926 655916).

Comments & Feedback

As part of our commitment to customers, National Grid welcomes comments and feedback on the information contained in this notice. In particular, to ensure that information is provided and presented in a way that is of most use to customers, we would welcome specific feedback on:

- The level of numeric detail provided to explain charge changes;
- The quality of the explanation given to describe and explain charge changes;
- Information that is not useful and could be omitted;
- Information that is missing that could be added.

These should be sent to:

Karin Elmhirst

National Grid Warwick Technology Park Warwick CV34 6DA

or email to Karin.elmhirst@nationalgrid.com

Appendices

Appendix 1

| £m | April 2015 | at Oct 15 Indicative | at October 15 Final | Change April to October Final |
|--------------------------------|------------|-------------------------|------------------------|--|
| TO Maximum Allowed Revenue | 749 | 749 | 749 | 0 |
| SO Maximum Allowed Revenue | 288 | 271 | 272 | -16 |
| Revenues to be collected from: | | | | |
| NTS TO Entry Commodity | 274 | 278 | 279 | 5 |
| NTS TO Exit Commodity | 118 | 118 | 123 | 5 |
| NTS SO Commodity | 203 | 187 | 185 | -18 |

Forecast Allowed Revenues for Financial Year 2015/16

Appendices

Appendix 2 NTS Entry Capacity Reserve Prices for Capacity for use from 1 October 2014

Revised values are for Entry Capacity from 1 October 2016.

| Entry Point Y Y+1 Coastal Terminals & LNG Importation 30 Sep 15 30 Sep 16 30 Sep 17 Bacton ⁵ 0.0091 0.0104 0.0103 Barrow 0.0001 0.0023 0.0048 Easington & Rough 0.0120 0.0133 0.0133 Isle of Grain 0.0007 0.0030 0.0031 Milford Haven 0.0208 0.0229 0.0228 St Fergus 0.0440 0.0473 0.0482 Teesside 0.0026 0.0120 0.0133 0.0119 Onshore Fields and Connections 0.0120 0.0133 0.0119 Burton Point 0.0001 0.0001 0.0001 Hole House Farm 0.0001 0.0001 0.0001 Wytch Farm 0.0001 0.0001 0.0001 Storage 0.0011 0.0001 0.0001 Ganobie 0.0025 0.0029 0.0023 Caythorpe 0.0133 0.0137 0.0131 Chelevice 0.0025 0.0029 | | MSEC Reserve Prices | | | |
|---|--------------------------------|-----------------------|-----------|-----------|--|
| From 1 Oct 14 to 30 Sep 15 From 1 Oct 15 to 30 Sep 16 From 1 Oct 16 to 30 Sep 17 Bacton ⁵ 0.0091 0.0104 0.0103 Barrow 0.0001 0.0023 0.0048 Easington & Rough 0.0120 0.01133 0.0133 Isle of Grain 0.0007 0.0030 0.0031 Milford Haven 0.0208 0.0229 0.0228 St Fergus 0.0440 0.0473 0.0482 Teesside 0.0120 0.0133 0.0105 Theddlethorpe 0.0120 0.0133 0.0119 Onshore Fields and Connections Burton Point 0.0001 0.0001 0.0001 Hatfield Moor 0.0001 0.0001 0.0001 Wytch Farm 0.0001 0.0001 0.0001 Storage 0.0011 0.0001 0.0001 Canonbie 0.0011 0.0001 0.0001 Canonbie 0.0013 0.0133 0.0131 Cheshire 0.0081 0.0001 0.0001 Dyn | | Pence per kWh per day | | | |
| Coastal Terminals & LNG Importation 30 Sep 15 30 Sep 16 30 Sep 17 Bacton ⁵ 0.0091 0.0104 0.0103 Barrow 0.0001 0.0023 0.0048 Easington & Rough 0.0120 0.0133 0.0133 Isle of Grain 0.0007 0.0030 0.0031 Milford Haven 0.0208 0.0229 0.0228 St Fergus 0.0440 0.0473 0.0482 Teesside 0.0085 0.0105 0.0105 Theddlethorpe 0.0120 0.0133 0.0119 Onshore Fields and Connections Burton Point 0.0001 0.0001 0.0001 Hole House Farm 0.0001 0.0001 0.0001 Vyto Farm 0.0001 0.0001 0.0001 Storage 0.0011 0.0001 0.0001 Cashire 0.0013 0.0133 0.0131 Cheshire 0.0025 0.0023 0.0024 Dynevor Arms 0.0081 0.0001 0.0001 <t< th=""><th>Entry Point</th><th colspan="3"></th></t<> | Entry Point | | | | |
| Bacton ⁵ 0.0091 0.0104 0.0103 Barrow 0.0001 0.0023 0.0048 Easington & Rough 0.0120 0.0133 0.0133 Isle of Grain 0.0007 0.0030 0.0031 Milford Haven 0.0208 0.0229 0.0228 St Fergus 0.0440 0.0473 0.0482 Teesside 0.0085 0.0105 0.0105 Theddlethorpe 0.0120 0.0133 0.0119 Onshore Fields and Connections Burton Point 0.0001 0.0001 0.0001 Haffield Moor 0.0001 0.0001 0.0001 Hole House Farm 0.0001 0.0001 0.0001 Wytch Farm 0.0001 0.0001 0.0001 Storage 0.0011 0.0001 0.0001 Canobie 0.0001 0.0001 0.0001 Canobie 0.0001 0.0001 0.0001 Dynevor Arms 0.0081 0.0013 0.0131 Cheshire 0.0 | | | | | |
| Barrow 0.0001 0.0023 0.0048 Easington & Rough 0.0120 0.0133 0.0133 Isle of Grain 0.0007 0.0030 0.0031 Milford Haven 0.0208 0.0229 0.0228 St Fergus 0.0440 0.0473 0.0482 Teesside 0.0085 0.0105 0.0105 Theddlethorpe 0.0120 0.0033 0.0011 Onshore Fields and Connections Burton Point 0.0001 0.0001 0.0001 Hole House Farm 0.0001 0.0001 0.0001 Wytch Farm 0.0001 0.0001 0.0001 Storage 0.0011 0.0001 Barton Stacey 0.0001 0.0001 0.0001 Caythorpe 0.0130 0.0130 0.0131 Cheshire 0.0001 0.0001 0.0001 Dynevor Arms 0.0081 0.0023 0.0023 Garton 0.0133 0.0137 0.0137 Glemmavis | | | 30 Sep 16 | 30 Sep 17 | |
| Easington & Rough 0.0120 0.0133 0.0133 Isle of Grain 0.0007 0.0030 0.0031 Milford Haven 0.0208 0.0229 0.0228 St Fergus 0.0440 0.0473 0.0482 Teesside 0.0085 0.0105 0.0105 Theddlethorpe 0.0120 0.0133 0.0119 Onshore Fields and Connections Burton Point 0.0001 0.0001 0.0001 Hole House Farm 0.0001 0.0001 0.0001 Wytch Farm 0.0001 0.0001 0.0001 Storage User 0.0011 0.0001 0.0001 Storage User 0.0011 0.0001 0.0001 Caythorpe 0.0130 0.0130 0.0131 0.0131 Cheshire 0.0025 0.0029 0.0023 Garton 0.0133 0.0137 0.0137 Glenmavis 0.0127 0.0140 0.0138 Hatfield Moor 0.0040 0.0055 0.0048 | Bacton⁵ | | 0.0104 | 0.0103 | |
| Isle of Grain 0.0007 0.0030 0.0031 Milford Haven 0.0208 0.0229 0.0228 St Fergus 0.0440 0.0473 0.0482 Teesside 0.0085 0.0105 0.0105 Theddlethorpe 0.0120 0.0133 0.0119 Onshore Fields and Connections Burton Point 0.0001 0.0001 0.0001 Hatfield Moor 0.0001 0.0001 0.0001 Hole House Farm 0.0001 0.0001 0.0001 Wytch Farm 0.0001 0.0001 0.0001 Storage 0.0011 0.0001 0.0001 Storage 0.0011 0.0001 0.0001 Capthorpe 0.0130 0.0130 0.0131 0.0011 Cheshire 0.0001 0.0001 0.0001 0.0001 Upwor Arms 0.0133 0.0137 0.0137 0.0137 Glenmavis 0.0127 0.0140 0.0138 0.0147 Hatfield Moor | Barrow | 0.0001 | 0.0023 | 0.0048 | |
| Milford Haven 0.0208 0.0229 0.0228 St Fergus 0.0440 0.0473 0.0482 Teesside 0.0085 0.0105 0.0105 Theddlethorpe 0.0120 0.0133 0.0119 Onshore Fields and Connections Burton Point 0.0001 0.0001 0.0001 Hatfield Moor 0.0040 0.0055 0.0048 Hole House Farm 0.0001 0.0001 0.0001 Wytch Farm 0.0001 0.0001 0.0001 Storage E E E Barton Stacey 0.0001 0.0001 0.0001 Cheshire 0.0001 0.0001 0.0001 Dynevor Arms 0.0081 0.0001 0.0001 Pleetwood 0.0127 0.0140 0.0137 Glenmavis 0.0127 0.0140 0.0139 Partington 0.0001 0.0001 0.0001 Constrained LNG US 0.0001 0.0001 | | | 0.0133 | 0.0133 | |
| St Fergus 0.0440 0.0473 0.0482 Teesside 0.0085 0.0105 0.0105 Theddlethorpe 0.0120 0.0133 0.0119 Onshore Fields and Connections U U 0.0001 0.0001 0.0001 Burton Point 0.0040 0.0055 0.0048 0.0001 0.0001 0.0001 Haffield Moor 0.0001 0.0001 0.0001 0.0001 0.0001 Wytch Farm 0.0001 0.0001 0.0001 0.0001 0.0001 Storage U U U U U U U Barton Stacey 0.0001 0.0001 0.0001 0.0001 0.0001 0.0001 Caythorpe 0.0130 0.0130 0.0131 0.0001 0.0001 0.0001 Dynevor Arms 0.0081 0.0001 0.0001 0.0023 Garton 0.0133 0.0137 0.0137 Glenmavis 0.0127 0.0140 0.0158 1.0001 0.00139 0.0139 <td>Isle of Grain</td> <td>0.0007</td> <td>0.0030</td> <td>0.0031</td> | Isle of Grain | 0.0007 | 0.0030 | 0.0031 | |
| Teesside 0.0085 0.0105 0.0105 Theddlethorpe 0.0120 0.0133 0.0119 Onshore Fields and Connections 0.0001 0.0001 0.0001 Burton Point 0.0040 0.0055 0.0048 Hole House Farm 0.0001 0.0001 0.0001 Wytch Farm 0.0001 0.0001 0.0001 Storage 0.0001 0.0001 0.0004 Barton Stacey 0.0001 0.0001 0.0048 Caythorpe 0.0130 0.0130 0.0131 Cheshire 0.0001 0.0001 0.0001 Dynevor Arms 0.0025 0.0029 0.0023 Garton 0.0127 0.0140 0.0158 Hatfield Moor 0.0040 0.0055 0.0048 Constrained LNG 0.0001 0.0001 0.0001 Avonmouth 0.0001 0.0001 0.0001 | Milford Haven | 0.0208 | 0.0229 | 0.0228 | |
| Theddlethorpe 0.0120 0.0133 0.0119 Onshore Fields and Connections | St Fergus | 0.0440 | 0.0473 | 0.0482 | |
| Onshore Fields and Connections Burton Point 0.0001 0.0001 0.0001 Hatfield Moor 0.0040 0.0055 0.0048 Hole House Farm 0.0001 0.0001 0.0001 Wytch Farm 0.0001 0.0001 0.0001 Storage 0.0001 0.0001 0.0001 Barton Stacey 0.0013 0.0040 0.0048 Caythorpe 0.0130 0.0130 0.0131 Cheshire 0.0001 0.0001 0.0001 Dynevor Arms 0.0081 0.0001 0.0001 Fleetwood 0.0133 0.0137 0.0137 Garton 0.0127 0.0140 0.0158 Hatfield Moor 0.0040 0.0055 0.0048 Hornsea 0.0123 0.0140 0.0139 Partington 0.0001 0.0001 0.0001 | Teesside | | 0.0105 | 0.0105 | |
| Burton Point 0.0001 0.0001 0.0001 Hatfield Moor 0.0040 0.0055 0.0048 Hole House Farm 0.0001 0.0001 0.0001 Wytch Farm 0.0001 0.0001 0.0001 Storage 0.0001 0.0001 0.0001 Barton Stacey 0.0001 0.0001 0.0001 Canonbie 0.0013 0.0040 0.0048 Caythorpe 0.0130 0.0130 0.0131 Cheshire 0.0001 0.0001 0.0001 Dynevor Arms 0.0025 0.0029 0.0023 Garton 0.0133 0.0137 0.0137 Glenmavis 0.0127 0.0140 0.0158 Hatfield Moor 0.0023 0.0140 0.0139 Partington 0.0001 0.0001 0.0001 Constrained LNG 0.0001 0.0001 0.0001 | Theddlethorpe | 0.0120 | 0.0133 | 0.0119 | |
| Burton Point 0.0001 0.0001 0.0001 Hatfield Moor 0.0040 0.0055 0.0048 Hole House Farm 0.0001 0.0001 0.0001 Wytch Farm 0.0001 0.0001 0.0001 Storage 0.0001 0.0001 0.0001 Barton Stacey 0.0001 0.0001 0.0001 Canonbie 0.0013 0.0040 0.0048 Caythorpe 0.0130 0.0130 0.0131 Cheshire 0.0001 0.0001 0.0001 Dynevor Arms 0.0025 0.0029 0.0023 Garton 0.0133 0.0137 0.0137 Glenmavis 0.0127 0.0140 0.0158 Hatfield Moor 0.0023 0.0140 0.0139 Partington 0.0001 0.0001 0.0001 Constrained LNG 0.0001 0.0001 0.0001 | | | | | |
| Hatfield Moor 0.0040 0.0055 0.0048 Hole House Farm 0.0001 0.0001 0.0001 Wytch Farm 0.0001 0.0001 0.0001 Storage 0.0001 0.0001 0.0001 Barton Stacey 0.0003 0.0040 0.0048 Caythorpe 0.0130 0.0130 0.0131 Cheshire 0.0001 0.0001 0.0001 Dynevor Arms 0.0081 0.0011 0.0001 Fleetwood 0.0133 0.0137 0.0137 Glenmavis 0.0127 0.0140 0.0158 Hatfield Moor 0.0040 0.0055 0.0048 Hornsea 0.0123 0.0140 0.0158 Hatfield Moor 0.0040 0.0055 0.0048 Hornsea 0.0123 0.0140 0.0139 Partington 0.0001 0.0001 0.0001 Constrained LNG 0.0001 0.0001 0.0001 | Onshore Fields and Connections | | | | |
| Hole House Farm 0.0001 0.0001 0.0001 Wytch Farm 0.0001 0.0001 0.0001 Storage 0.0001 0.0001 0.0001 Barton Stacey 0.0001 0.0001 0.0001 Canonbie 0.0003 0.0040 0.0048 Caythorpe 0.0130 0.0130 0.0131 Cheshire 0.0001 0.0001 0.0001 Dynevor Arms 0.0081 0.0001 0.0001 Fleetwood 0.0133 0.0137 0.0137 Glenmavis 0.0127 0.0140 0.0158 Hatfield Moor 0.0023 0.0140 0.0139 Partington 0.0001 0.0001 0.0001 Constrained LNG 0.0001 0.0001 0.0001 | Burton Point | 0.0001 | 0.0001 | 0.0001 | |
| Wytch Farm 0.0001 0.0001 0.0001 Storage 0.0001 0.0001 0.0001 Barton Stacey 0.0001 0.0001 0.0001 Canonbie 0.0003 0.0040 0.0048 Caythorpe 0.0130 0.0130 0.0131 Cheshire 0.0001 0.0001 0.0001 Dynevor Arms 0.0081 0.0001 0.0001 Fleetwood 0.0133 0.0137 0.0137 Garton 0.0127 0.0140 0.0158 Hatfield Moor 0.0025 0.0025 0.0048 Hornsea 0.0123 0.0140 0.0139 Partington 0.0001 0.0001 0.0001 Constrained LNG 0.0001 0.0001 0.0001 | Hatfield Moor | 0.0040 | 0.0055 | 0.0048 | |
| Storage 0.0001 0.0001 0.0001 Canonbie 0.0003 0.0040 0.0048 Caythorpe 0.0130 0.0130 0.0131 Cheshire 0.0001 0.0001 0.0001 Dynevor Arms 0.0081 0.0001 0.0001 Fleetwood 0.0133 0.0137 0.0137 Garton 0.0127 0.0140 0.0158 Hatfield Moor 0.0023 0.0040 0.0055 Hornsea 0.0123 0.0140 0.0139 Partington 0.0001 0.0001 0.0001 Constrained LNG 0.0001 0.0001 0.0001 | Hole House Farm | 0.0001 | 0.0001 | 0.0001 | |
| Barton Stacey 0.0001 0.0001 0.0001 Canonbie 0.0003 0.0040 0.0048 Caythorpe 0.0130 0.0130 0.0131 Cheshire 0.0001 0.0001 0.0001 Dynevor Arms 0.0081 0.0001 0.0001 Fleetwood 0.0133 0.0137 0.0137 Garton 0.0127 0.0140 0.0158 Hatfield Moor 0.0040 0.0055 0.0048 Hornsea 0.0123 0.0140 0.0139 Partington 0.0001 0.0001 0.0001 Constrained LNG 0.0001 0.0001 0.0001 | Wytch Farm | 0.0001 | 0.0001 | 0.0001 | |
| Barton Stacey 0.0001 0.0001 0.0001 Canonbie 0.0003 0.0040 0.0048 Caythorpe 0.0130 0.0130 0.0131 Cheshire 0.0001 0.0001 0.0001 Dynevor Arms 0.0081 0.0001 0.0001 Fleetwood 0.0133 0.0137 0.0137 Garton 0.0127 0.0140 0.0158 Hatfield Moor 0.0040 0.0055 0.0048 Hornsea 0.0123 0.0140 0.0139 Partington 0.0001 0.0001 0.0001 Constrained LNG 0.0001 0.0001 0.0001 | | | | | |
| Canonbie 0.0003 0.0040 0.0048 Caythorpe 0.0130 0.0130 0.0131 Cheshire 0.0001 0.0001 0.0001 Dynevor Arms 0.0081 0.0001 0.0001 Fleetwood 0.0025 0.0029 0.0023 Garton 0.0133 0.0137 0.0137 Glenmavis 0.0127 0.0140 0.0158 Hatfield Moor 0.0023 0.0040 0.0055 0.0048 Hornsea 0.0123 0.0140 0.0139 0.0011 Partington 0.0001 0.0001 0.0001 0.0001 Avonmouth 0.0001 0.0001 0.0001 0.0001 | Storage | | | | |
| Caythorpe 0.0130 0.0130 0.0131 Cheshire 0.0001 0.0001 0.0001 Dynevor Arms 0.0081 0.0001 0.0001 Fleetwood 0.0025 0.0029 0.0023 Garton 0.0133 0.0137 0.0137 Glenmavis 0.0127 0.0140 0.0158 Hatfield Moor 0.0023 0.0140 0.0139 Partington 0.00123 0.0140 0.0139 Constrained LNG 0.0001 0.0001 0.0001 | Barton Stacey | 0.0001 | 0.0001 | 0.0001 | |
| Cheshire 0.0001 0.0001 0.0001 Dynevor Arms 0.0081 0.0001 0.0001 Fleetwood 0.0025 0.0029 0.0023 Garton 0.0133 0.0137 0.0137 Glenmavis 0.0127 0.0140 0.0158 Hatfield Moor 0.00123 0.0140 0.0139 Partington 0.00123 0.0140 0.0139 Partington 0.0001 0.0001 0.0001 Constrained LNG 0.0001 0.0001 0.0001 | Canonbie | 0.0003 | 0.0040 | 0.0048 | |
| Dynevor Arms 0.0081 0.0001 0.0001 Fleetwood 0.0025 0.0029 0.0023 Garton 0.0133 0.0137 0.0137 Glenmavis 0.0127 0.0140 0.0158 Hatfield Moor 0.0040 0.0055 0.0048 Hornsea 0.0123 0.0140 0.0139 Partington 0.0001 0.0001 0.0001 Constrained LNG 0.0001 0.0001 0.0001 | Caythorpe | 0.0130 | 0.0130 | 0.0131 | |
| Fleetwood 0.0025 0.0029 0.0023 Garton 0.0133 0.0137 0.0137 Glenmavis 0.0127 0.0140 0.0158 Hatfield Moor 0.0040 0.0055 0.0048 Hornsea 0.0123 0.0140 0.0139 Partington 0.0001 0.0001 0.0001 Constrained LNG | Cheshire | 0.0001 | 0.0001 | 0.0001 | |
| Garton 0.0133 0.0137 0.0137 Glenmavis 0.0127 0.0140 0.0158 Hatfield Moor 0.0040 0.0055 0.0048 Hornsea 0.0123 0.0140 0.0139 Partington 0.0001 0.0001 0.0001 Constrained LNG 0.0001 0.0001 0.0001 | Dynevor Arms | 0.0081 | 0.0001 | 0.0001 | |
| Glenmavis 0.0127 0.0140 0.0158 Hatfield Moor 0.0040 0.0055 0.0048 Hornsea 0.0123 0.0140 0.0139 Partington 0.0001 0.0001 0.0001 Constrained LNG 0.0001 0.0001 0.0001 | Fleetwood | 0.0025 | 0.0029 | 0.0023 | |
| Hatfield Moor 0.0040 0.0055 0.0048 Hornsea 0.0123 0.0140 0.0139 Partington 0.0001 0.0001 0.0001 Constrained LNG 0.0001 0.0001 0.0001 | Garton | 0.0133 | 0.0137 | 0.0137 | |
| Hornsea 0.0123 0.0140 0.0139 Partington 0.0001 0.0001 0.0001 Constrained LNG 0.0001 0.0001 0.0001 | Glenmavis | 0.0127 | 0.0140 | 0.0158 | |
| Partington 0.0001 0.0001 0.0001 Constrained LNG 0.0001 0.0001 0.0001 | Hatfield Moor | 0.0040 | 0.0055 | 0.0048 | |
| Constrained LNG Avonmouth 0.0001 0.0001 | Hornsea | 0.0123 | 0.0140 | 0.0139 | |
| Avonmouth 0.0001 0.0001 0.0001 | Partington | 0.0001 | 0.0001 | 0.0001 | |
| | Constrained LNG | | | | |
| | Avonmouth | 0.0001 | 0.0001 | 0.0001 | |
| Moffat 0.0021 0.0022 | | | | | |
| ivioliat 0.0037 0.0074 0.0082 | Moffat | 0.0037 | 0.0074 | 0.0082 | |

 $^{^{\}rm 5}$ Bacton will be called Bacton UKCS from 1 November 2015



Appendix 3 NTS Entry Reserve Prices, Interconnection Points (IPs) for the Rolling Monthly IP Capacity Auctions and Rolling Day Ahead IP Capacity Auctions

| EU Interconnector Points (IPs) | from 1 Nov 15⁶ Pence per kWh per day |
|--------------------------------|--|
| Bacton IP | 0.0104 |
| Moffat | 0.0074 |

For the Ascending Clock Auctions, the NTS Large Price Steps shall be the greater of 5% of the reserve price or 0.0001p/KWh/day. A Small Price Step will be one fifth of the Large Price Step.

⁶Applicable for gas flow days from 1 November 2015 onwards.

Appendices

Appendix 4 NTS Exit Capacity charges effective from 1 October 2015⁷

| | Type of Offtake | 2015/16 from 1 Oct-15 |
|------------------------|-----------------|--------------------------|
| Bacton | GDN (EA) | 0.0001 |
| Brisley | GDN (EA) | 0.0003 |
| Cambridge | GDN (EA) | 0.0074 |
| Great Wilbraham | GDN (EA) | 0.0063 |
| Matching Green | GDN (EA) | 0.0109 |
| Peterborough Eye (Tee) | GDN (EA) | 0.0063 |
| Roudham Heath | GDN (EA) | 0.0021 |
| Royston | GDN (EA) | 0.0084 |
| Whitwell | GDN (EA) | 0.0106 |
| West Winch | GDN (EA) | 0.0030 |
| Yelverton | GDN (EA) | 0.0001 |
| Alrewas (EM) | GDN (EM) | 0.0159 |
| Blaby | GDN (EM) | 0.0120 |
| Blyborough | GDN (EM) | 0.0029 |
| Caldecott | GDN (EM) | 0.0093 |
| Thornton Curtis (DN) | GDN (EM) | 0.0001 |
| Drointon | GDN (EM) | 0.0172 |
| Gosberton | GDN (EM) | 0.0041 |
| Kirkstead | GDN (EM) | 0.0018 |
| Market Harborough | GDN (EM) | 0.0106 |
| Silk Willoughby | GDN (EM) | 0.0032 |
| Sutton Bridge | GDN (EM) | 0.0050 |
| Tur Langton | GDN (EM) | 0.0108 |
| Walesby | GDN (EM) | 0.0001 |
| Asselby | GDN (NE) | 0.0009 |
| Baldersby | GDN (NE) | 0.0025 |
| Burley Bank | GDN (NE) | 0.0048 |
| Ganstead | GDN (NE) | 0.0001 |
| Pannal | GDN (NE) | 0.0053 |
| Paull | GDN (NE) | 0.0001 |

NTS Exit Capacity Charges

⁷ Please note that the October 2015 charges (along with 2016/17 to 2018/19 indicative charges) were also published on 1 May 2015 for the user commitment calculations in the 2014 Exit Capacity Application Window. Details can be found on the National Grid website at http://www.nationalgrid.com/uk/Gas/Charges/NoticeofChange/ 'Notice of Final NTS Exit (Flat) Capacity Charges effective from 1 October 2015 and Indicative NTS Exit (Flat) Capacity Charges for the 2015 Annual Application Window for Enduring Annual NTS Exit (Flat) Capacity'.

| | Type of Offtake | 2015/16 from |
|--------------------------------|-------------------|--------------|
| | Type of Officiate | 1 Oct-15 |
| Pickering | GDN (NE) | 0.0021 |
| Rawcliffe | GDN (NE) | 0.0011 |
| Towton | GDN (NE) | 0.0033 |
| Bishop Auckland | GDN (NO) | 0.0003 |
| Coldstream | GDN (NO) | 0.0001 |
| Corbridge | GDN (NO) | 0.0010 |
| Cowpen Bewley | GDN (NO) | 0.0001 |
| Elton | GDN (NO) | 0.0001 |
| Guyzance | GDN (NO) | 0.0001 |
| Humbleton | GDN (NO) | 0.0001 |
| Keld | GDN (NO) | 0.0085 |
| Little Burdon | GDN (NO) | 0.0001 |
| Melkinthorpe | GDN (NO) | 0.0077 |
| Saltwick Pressure Controlled | GDN (NO) | 0.0001 |
| Saltwick Volumetric Controlled | GDN (NO) | 0.0001 |
| Thrintoft | GDN (NO) | 0.0018 |
| Towlaw | GDN (NO) | 0.0025 |
| Wetheral | GDN (NO) | 0.0048 |
| Horndon | GDN (NT) | 0.0089 |
| Luxborough Lane | GDN (NT) | 0.0117 |
| Peters Green | GDN (NT) | 0.0110 |
| Peters Green South Mimms | GDN (NT) | 0.0110 |
| Winkfield (NT) | GDN (NT) | 0.0208 |
| Audley (NW) | GDN (NW) | 0.0211 |
| Blackrod | GDN (NW) | 0.0179 |
| Ecclestone | GDN (NW) | 0.0248 |
| Holmes Chapel | GDN (NW) | 0.0225 |
| Lupton | GDN (NW) | 0.0114 |
| Malpas | GDN (NW) | 0.0233 |
| Mickle Trafford | GDN (NW) | 0.0246 |
| Partington | GDN (NW) | 0.0211 |
| Samlesbury | GDN (NW) | 0.0163 |
| Warburton | GDN (NW) | 0.0208 |
| Weston Point | GDN (NW) | 0.0257 |
| Aberdeen | GDN (SC) | 0.0001 |
| Armadale | GDN (SC) | 0.0001 |
| Balgray | GDN (SC) | 0.0001 |
| Bathgate | GDN (SC) | 0.0001 |
| Burnervie | GDN (SC) | 0.0001 |
| Broxburn | GDN (SC) | 0.0001 |
| Careston | GDN (SC) | 0.0001 |
| Drum | GDN (SC) | 0.0001 |

| | Turne of Officials 2015/16 from | | |
|--|---------------------------------|----------|--|
| | Type of Offtake | 1 Oct-15 | |
| St Fergus | GDN (SC) | 0.0001 | |
| Glenmavis | GDN (SC) | | |
| Hume | GDN (SC) GDN (SC) | 0.0001 | |
| Kinknockie | | 0.0001 | |
| | GDN (SC) | 0.0001 | |
| Langholm Lauderhill | GDN (SC) | 0.0021 | |
| | GDN (SC) | 0.0001 | |
| | GDN (SC) | 0.0011 | |
| Netherhowcleugh | GDN (SC) | 0.0001 | |
| Pitcairngreen | GDN (SC) | 0.0001 | |
| Soutra | GDN (SC) | 0.0001 | |
| Stranraer | GDN (SC) | 0.0001 | |
| Farningham | GDN (SE) | 0.0090 | |
| Farningham B | GDN (SE) | 0.0090 | |
| Shorne | GDN (SE) | 0.0079 | |
| Tatsfield | GDN (SE) | 0.0110 | |
| Winkfield (SE) | GDN (SE) | 0.0208 | |
| Braishfield A | GDN (SO) | 0.0248 | |
| Braishfield B | GDN (SO) | 0.0248 | |
| Crawley Down | GDN (SO) | 0.0233 | |
| Hardwick | GDN (SO) | 0.0149 | |
| Ipsden | GDN (SO) | 0.0185 | |
| lpsden 2 | GDN (SO) | 0.0185 | |
| Mappowder | GDN (SO) | 0.0206 | |
| Winkfield (SO) | GDN (SO) | 0.0208 | |
| Aylesbeare | GDN (SW) | 0.0230 | |
| Cirencester | GDN (SW) | 0.0111 | |
| Coffinswell | GDN (SW) | 0.0260 | |
| Easton Grey | GDN (SW) | 0.0117 | |
| Evesham | GDN (SW) | 0.0078 | |
| Fiddington | GDN (SW) | 0.0064 | |
| llchester | GDN (SW) | 0.0182 | |
| Kenn | GDN (SW) | 0.0242 | |
| Littleton Drew | GDN (SW) | 0.0126 | |
| Lyneham (Choakford) | GDN (SW) | 0.0291 | |
| Pucklechurch | GDN (SW) | 0.0135 | |
| Ross (SW) | GDN (SW) | 0.0032 | |
| Seabank (DN) | GDN (SW) | 0.0157 | |
| Alrewas (WM) | GDN (WM) | 0.0159 | |
| Aspley | GDN (WM) | 0.0193 | |
| Audley (WM) | GDN (WM) | 0.0211 | |
| Austrey | GDN (WM) | 0.0152 | |
| Leamington | GDN (WM) | 0.0107 | |
| , and the second s | | 1 | |

| | Type of Offtake | 2015/16 from |
|--|-----------------|--------------|
| | | 1 Oct-15 |
| Lower Quinton | GDN (WM) | 0.0090 |
| Milwich | GDN (WM) | 0.0179 |
| Ross (WM) | GDN (WM) | 0.0032 |
| Rugby | GDN (WM) | 0.0119 |
| Shustoke | GDN (WM) | 0.0165 |
| Stratford-upon-Avon | GDN (WM) | 0.0092 |
| Maelor | GDN (WN) | 0.0242 |
| Dowlais | GDN (WS) | 0.0001 |
| Dyffryn Clydach | GDN (WS) | 0.0001 |
| Gilwern | GDN (WS) | 0.0001 |
| Ferny Knoll (AM Paper) | DC | 0.0181 |
| Tonna (Baglan Bay) | DC | 0.0001 |
| Barking (Horndon) | DC | 0.0089 |
| Barrow (Black Start) | DC | 0.0074 |
| Billingham ICI (Terra Billingham) | DC | 0.0001 |
| Bishop Auckland (test facility) | DC | 0.0003 |
| Blackness (BP Grangemouth) | DC | 0.0001 |
| Saltend BPHP (BP Saltend HP) | DC | 0.0001 |
| Shotwick (Bridgewater Paper) | DC | 0.0256 |
| Blyborough (Brigg) | DC | 0.0040 |
| Epping Green (Enfield Energy, aka Brimsdown) | DC | 0.0120 |
| Brine Field (Teesside) Power Station | DC | 0.0001 |
| Pickmere (Winnington Power, aka Brunner Mond) | DC | 0.0217 |
| Carrington (Partington) Power Station | DC | 0.0211 |
| Centrax Industrial | DC | 0.0258 |
| Cockenzie Power Station | DC | 0.0001 |
| Burton Point (Connahs Quay) | DC | 0.0260 |
| Caldecott (Corby Power Station) | DC | 0.0097 |
| Stanford Le Hope (Coryton) | DC | 0.0086 |
| Coryton 2 (Thames Haven) Power Station | DC | 0.0086 |
| Blyborough (Cottam) | DC | 0.0029 |
| Middle Stoke (Damhead Creek, aka Kingsnorth Power Station) | DC | 0.0064 |
| Deeside | DC | 0.0260 |
| Didcot PS | DC | 0.0188 |
| Drakelow Power Station | DC | 0.0154 |
| Enron Billingham | DC | 0.0001 |
| Goole (Guardian Glass) | DC | 0.0015 |
| Grain Power Station | DC | 0.0064 |
| Bacton (Great Yarmouth) | DC | 0.0001 |
| Hatfield Power Station | DC | 0.0011 |
| Hollingsgreen (Hays Chemicals) | DC | 0.0224 |

| | | 2045/46 frame |
|---|-----------------|--------------------------|
| | Type of Offtake | 2015/16 from 1 Oct-15 |
| Weston Point (Castner Kelner, aka ICI Runcorn) | DC | 0.0257 |
| | | 0.0001 |
| Thornton Curtis (Humber Refinery, aka Immingham) | DC | 0.0001 |
| Eastoft (Keadby Blackstart) | DC | 0.0028 |
| Eastoft (Keadby) | DC | 0.0028 |
| Shellstar (aka Kemira, not Kemira CHP) | DC | 0.0253 |
| Saddle Bow (Kings Lynn) | DC | 0.0033 |
| Langage Power Station | DC | 0.0291 |
| St. Neots (Little Barford) | DC | 0.0106 |
| Gowkhall (Longannet) | DC | 0.0001 |
| Marchwood Power Station | DC | 0.0250 |
| Medway (aka Isle of Grain Power Station, NOT Grain | DC | 0.0065 |
| Power) | DC | 0.0001 |
| Upper Neeston (Milford Haven Refinery) | DC | |
| Blackbridge (Pembroke PS) | DC | 0.0001 |
| Peterborough (Peterborough Power Station) | DC | 0.0067 |
| St. Fergus (Peterhead) | DC | 0.0001 |
| Phillips Petroleum, Teeside | DC | 0.0001 |
| Weston Point (Rocksavage) | DC | 0.0257 |
| Glasgoforest | DC | 0.0001 |
| Roosecote (Roosecote Power Station) | DC | 0.0074 |
| Ryehouse | DC | 0.0125 |
| Rosehill (Saltend Power Station) | DC | 0.0001 |
| Sandy Lane (Blackburn CHP, aka Sappi Paper Mill) | DC | 0.0167 |
| Casharda (Casharda Davias Chattar shaas II) | DC | 0.0455 |
| Seabank (Seabank Power Station phase II) | DC | 0.0155 |
| Abson (Seabank Power Station phase I) Sellafield Power Station | DC DC | 0.0135 |
| | DC | 0.0120 |
| Terra Nitrogen (aka ICI, Terra Severnside) | DC | 0.0154 0.0259 |
| Harwarden (Shotton, aka Shotton Paper) | DC | |
| Wragg Marsh (Spalding) | DC | 0.0045 |
| Spalding 2 (South Holland) Power Station | DC | 0.0045 |
| St. Fergus (Shell Blackstart) Stallingborough (phase 1 and 2) | DC | 0.0001 0.0001 |
| Staythorpe PH1 and PH2 | DC | 0.0062 |
| Sutton Bridge Power Station | DC | 0.0048 |
| Teesside (BASF, aka BASF Teesside) | DC | 0.00048 |
| Teesside Hydrogen | DC | 0.0001 |
| Thornton Curtis (Killingholme) | DC | 0.0001 |
| Tilbury Power Station | DC | 0.0082 |
| Trafford PS | DC | 0.0002 |
| | | |

| | Type of Offtake | 2015/16 from 1 Oct-15 |
|---|-------------------------------------|--------------------------|
| Apache | DC | 0.0001 |
| Seal Sands TGPP | DC | 0.0001 |
| West Burton PS | DC | 0.0030 |
| Willington Power Station | DC | 0.0170 |
| Wyre Power Station | DC | 0.0155 |
| Zeneca (ICI Avecia, aka 'Zenica') | DC | 0.0001 |
| Bacton IUK | INTERCONNECTOR | 0.0001 |
| Bacton BBL | INTERCONNECTOR | 0.0001 |
| Moffat (Irish Interconnector) | INTERCONNECTOR - FIRM, EXIT ONLY | 0.0001 |
| Avonmouth Max Refill | STORAGE SITE | 0.0155 |
| Bacton (Baird) | STORAGE SITE | 0.0001 |
| Deborah Storage (Bacton) | STORAGE SITE | 0.0001 |
| Barrow (Bains) | STORAGE SITE | 0.0074 |
| Barrow (Gateway) | STORAGE SITE | 0.0074 |
| Barton Stacey Max Refill (Humbly Grove) | STORAGE SITE | 0.0230 |
| Caythorpe | STORAGE SITE | 0.0001 |
| Cheshire (Holford) | STORAGE SITE | 0.0224 |
| Dynevor Max Refill | STORAGE SITE | 0.0001 |
| Rough Max Refill | STORAGE SITE | 0.0001 |
| Garton Max Refill (Aldbrough) | STORAGE SITE | 0.0001 |
| Glenmavis Max Refill | STORAGE SITE | 0.0001 |
| Hatfield Moor Max Refill | STORAGE SITE | 0.0020 |
| Hole House Max Refill | STORAGE SITE | 0.0223 |
| Hornsea Max Refill | STORAGE SITE | 0.0001 |
| Partington Max Refill | STORAGE SITE | 0.0211 |
| Stublach (Cheshire) | STORAGE SITE | 0.0224 |
| Saltfleetby Storage (Theddlethorpe) | STORAGE SITE | 0.0001 |
| Hill Top Farm (Hole House Farm) | STORAGE SITE | 0.0223 |



NTS Exit Capacity charges relating to Interconnection Points (IPs)

The following prices⁸ are applicable for the Exit Rolling Monthly IP Capacity Auctions, Exit Rolling Day Ahead IP Capacity Auctions and Exit Within Day IP Capacity Auctions.

| | Type of Offtake | IP Exit Capacity Charge (p/kWh/day) in relevant Gas Year (2015/16) |
|-------------------------------|-------------------------------------|---|
| | | From 1 Nov 15 |
| Offtake Point | | Final |
| Bacton IUK | INTERCONNECTOR | 0.0001 |
| Bacton BBL | INTERCONNECTOR | 0.0001 |
| Moffat (Irish Interconnector) | INTERCONNECTOR - FIRM, EXIT ONLY | 0.0001 |

For the Ascending Clock Auctions, the NTS Large Price Step shall be the greater of 5% of the reserve price or 0.0001p/kWh/day. A Small Price Step will be one fifth of the Large Price Step.

⁸ Applicable for gas flow days from 1 November 2015 onwards



Appendix 5 summarises the changes to the Commodity charges being made in 1 October 2015

| NTS Charge | 2014/15 Average | April Final | Oct Indicative | Oct Final | 2015/16 Average |
|-----------------------------|--------------------|----------------|-------------------|--------------|--------------------|
| TO Entry Commodity | 0.0382 | 0.0451 | 0.0486 | 0.0481 | 0.0470 |
| TO Exit Commodity | 0.0188 | 0.0198 | 0.0199 | 0.0209 | 0.0202 |
| SO Commodity (Entry & Exit) | 0.0195 | 0.0169 | 0.0154 | 0.0148 | 0.0155 |
| St. Fergus Compression | 0.0171 | 0.0175 | 0.0176 | 0.0152 | 0.0162 |

Summary of Commodity Charges, pence/kWh