

# NTS Exit Capacity Price Sensitivity

Gas TCMF 25<sup>th</sup> May 2010

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# Introduction

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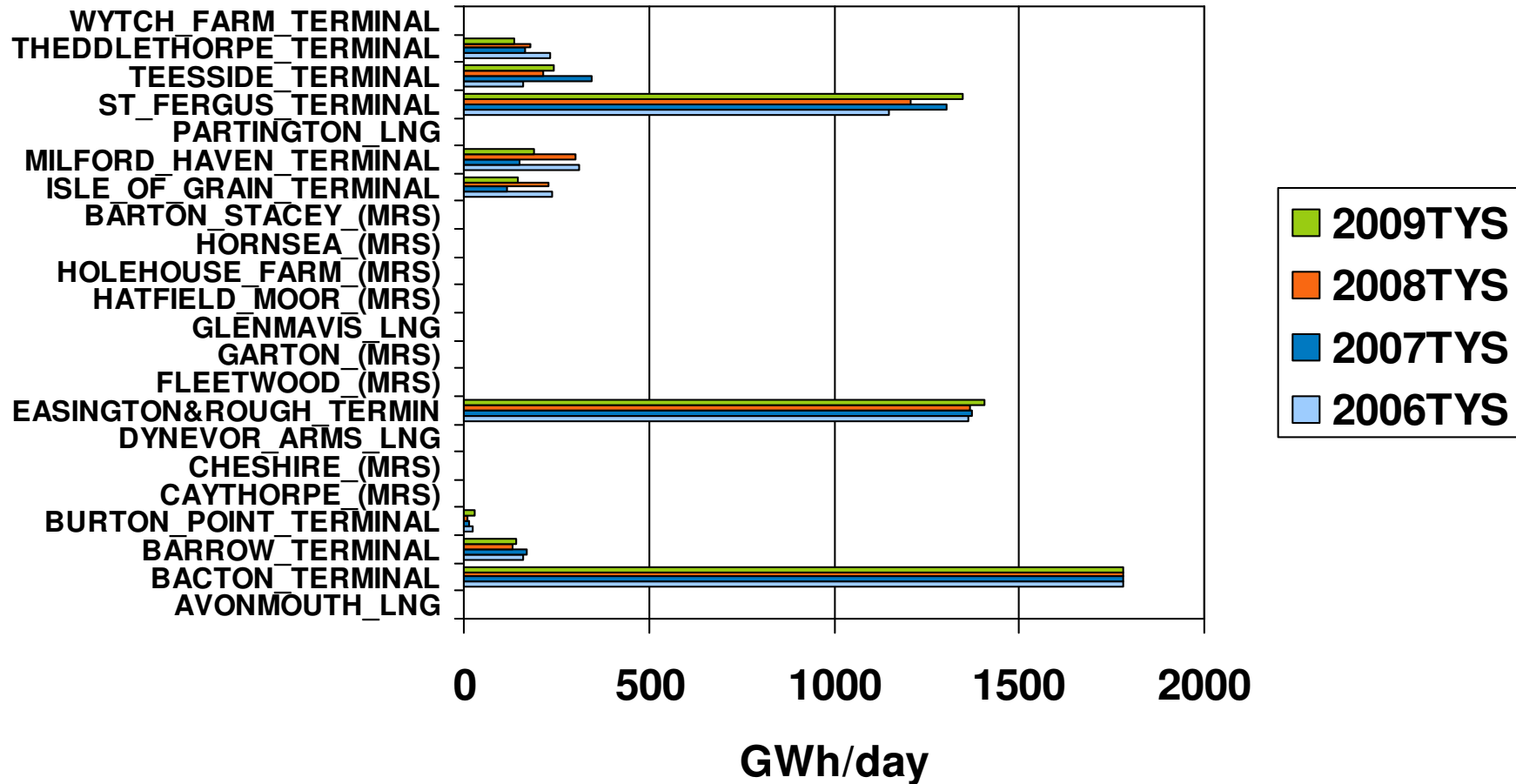
- ◆ Action from the March Gas TCMF;
  - ◆ Investigate how the predicted charges for 2010 & 2012, based on current (2009) TYS data, compare with the charges forecast from the earlier TYS data.
  - ◆ Analysis has been carried out for 2010/11 and 2012/13 exit prices with supply data from the 2006, 2007 and 2008 Ten Year Statements
    - ◆ 2010/11 Prices from the 2009 TYS data are the indicative prices published as part of the 150 day notice
    - ◆ 2012/13 Prices from the 2009 TYS data are the indicative prices published ahead of the application window
  - ◆ Results are shown for the DN Exit Zones to indicate the geographic price distribution. There will be a similar impact on directly connected loads within each geographic area.

# S&D Balancing Rules

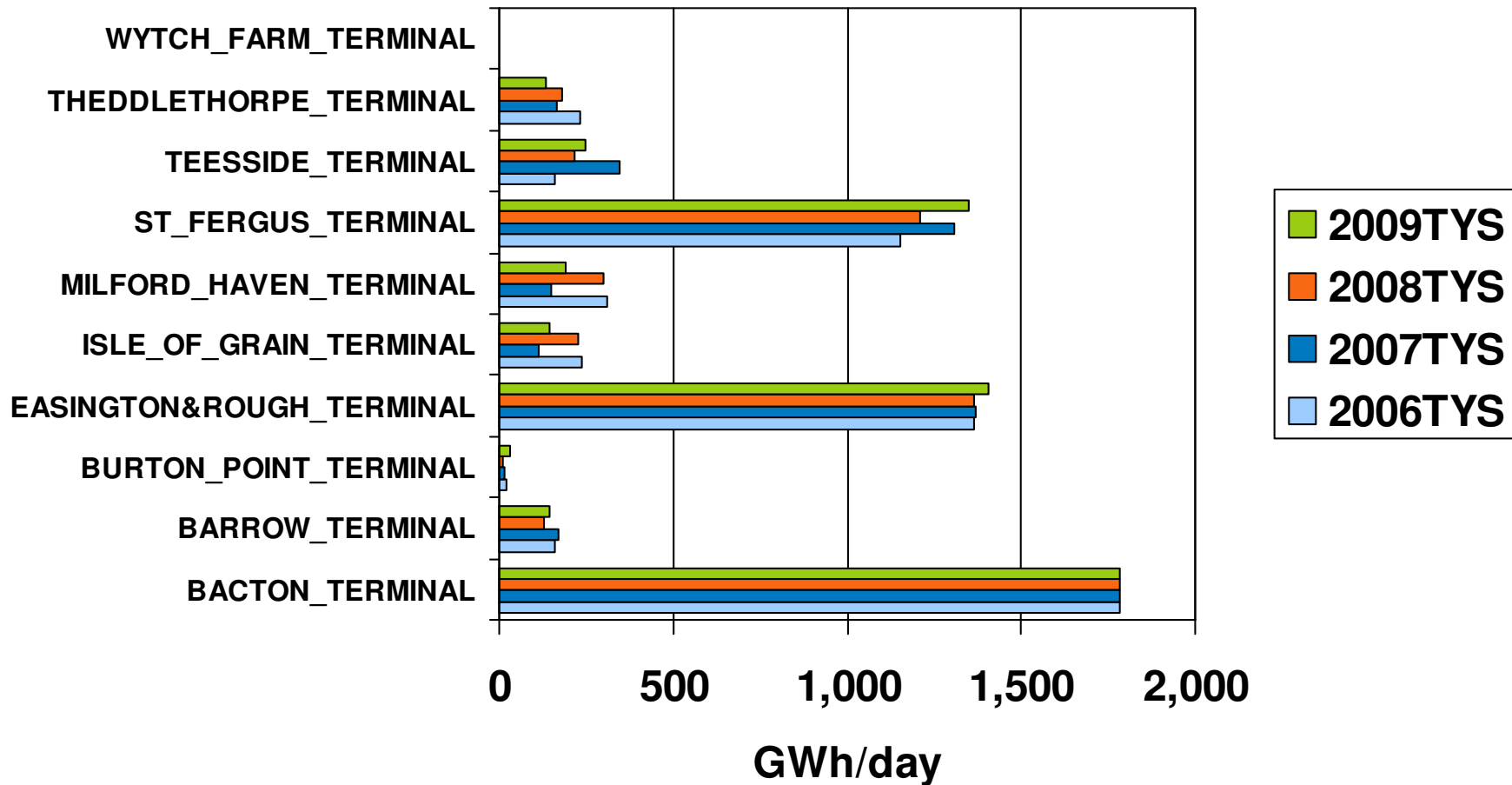
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- ◆ Available supplies need to be adjusted such that a supply and demand balance is achieved within the Transportation Model.
- ◆ For charge setting purposes, supplies are split into six groups as follows:
  - ◆ 1. Beach supplies (UKCS & Norway)
  - ◆ 2. Interconnectors
  - ◆ 3. Long-range storage
  - ◆ 4. LNG Importation
  - ◆ 5. Mid-range storage
  - ◆ 6. Short-range storage
- ◆ Each group is fully utilized if required with each entry point component in the last group required scaled to achieve a supply and demand match.

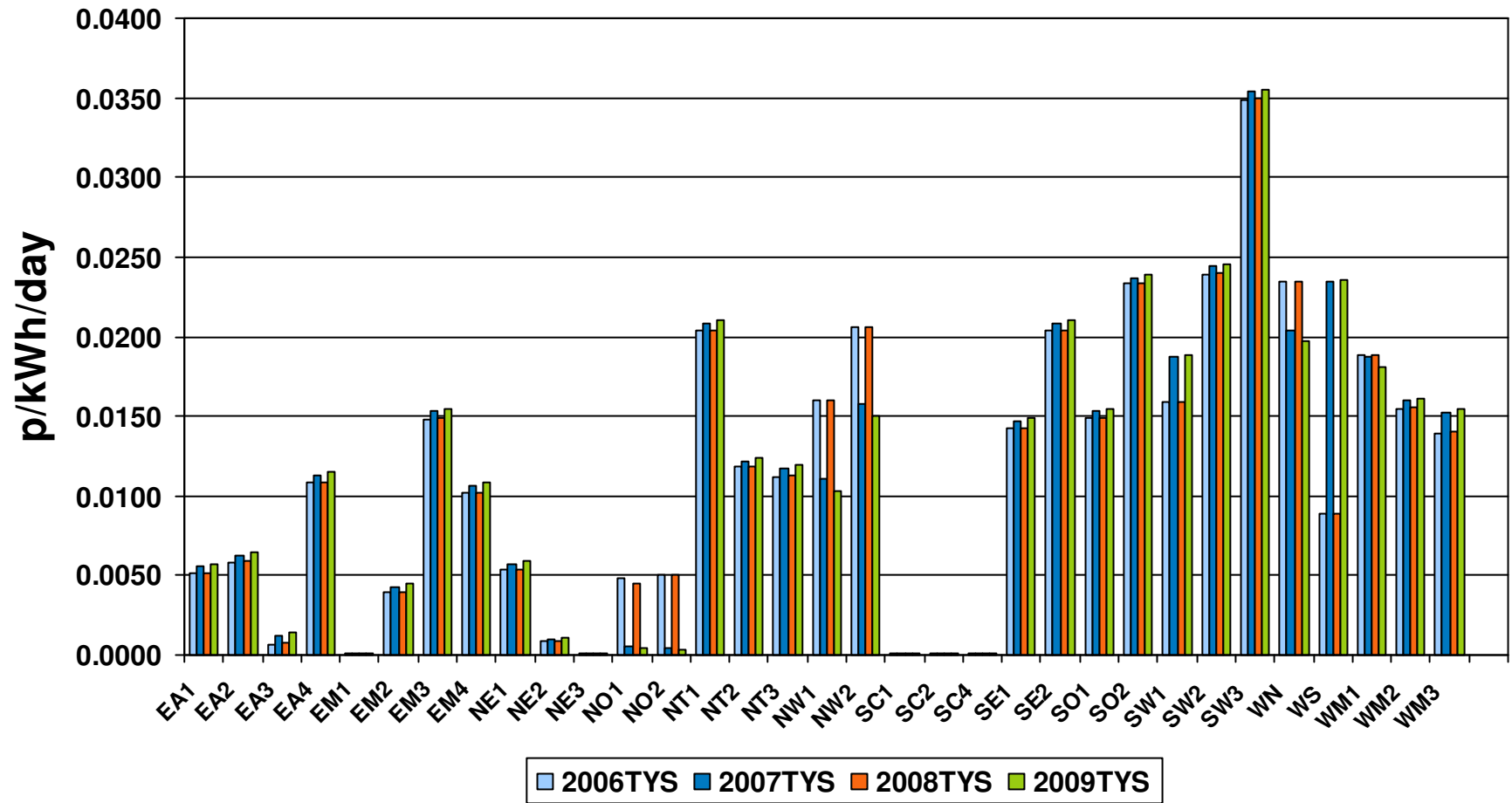
# 2010/11 Charge Setting Supply Data



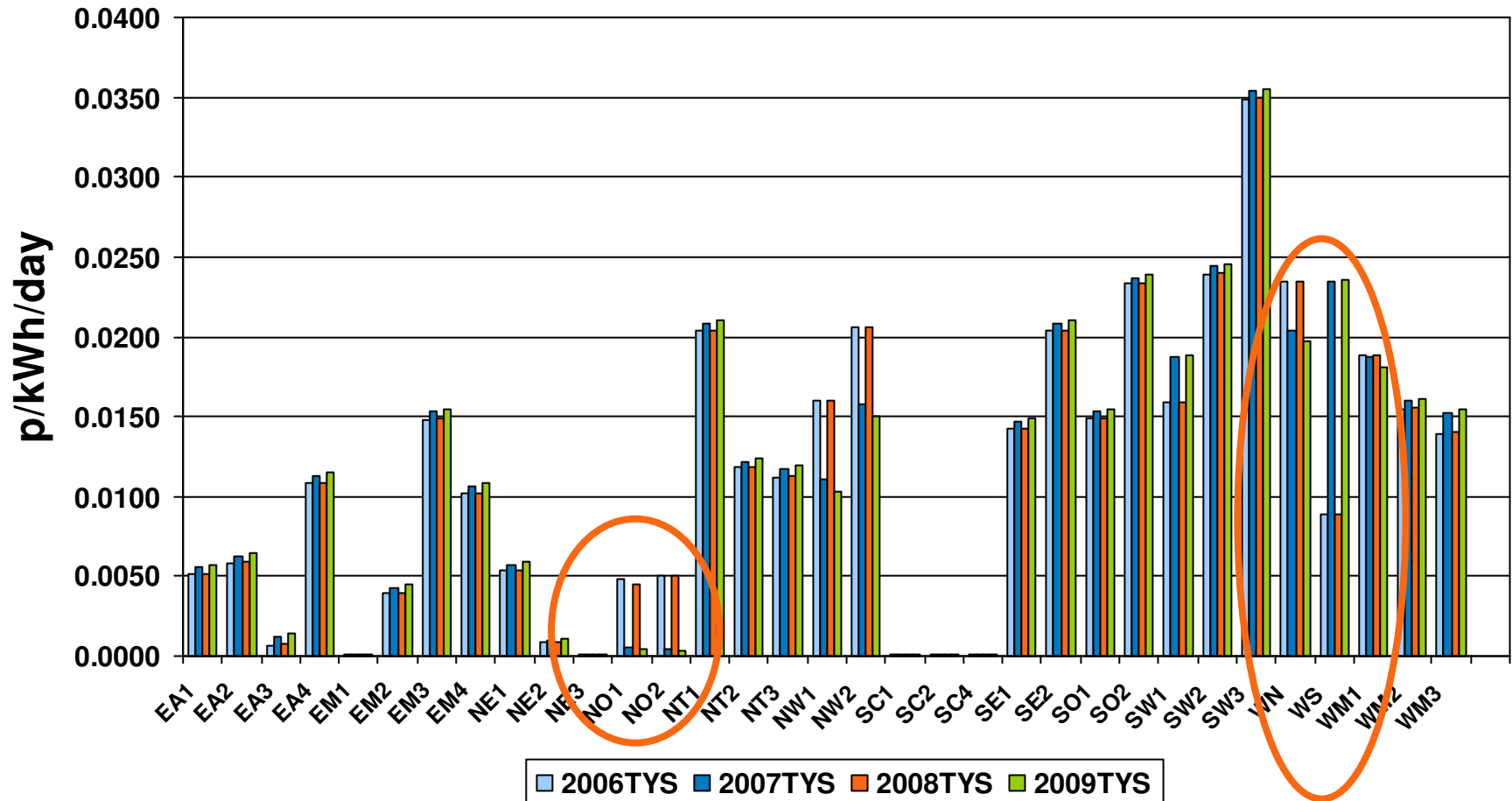
# 2010/11 Charge Setting Non-storage Supply Data



# 2010/11 Indicative NTS Exit Capacity Prices

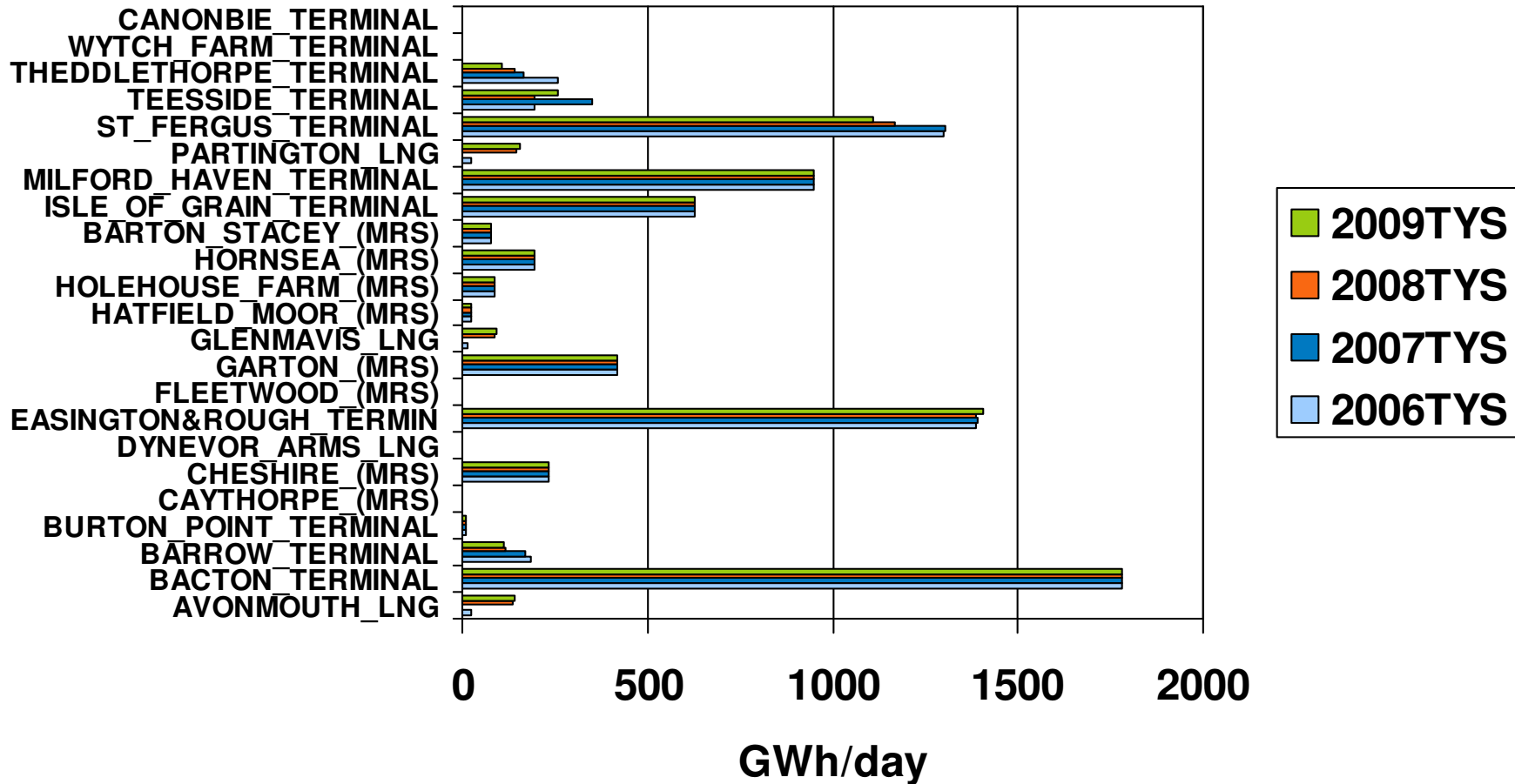


# 2010/11 Indicative NTS Exit Capacity Prices



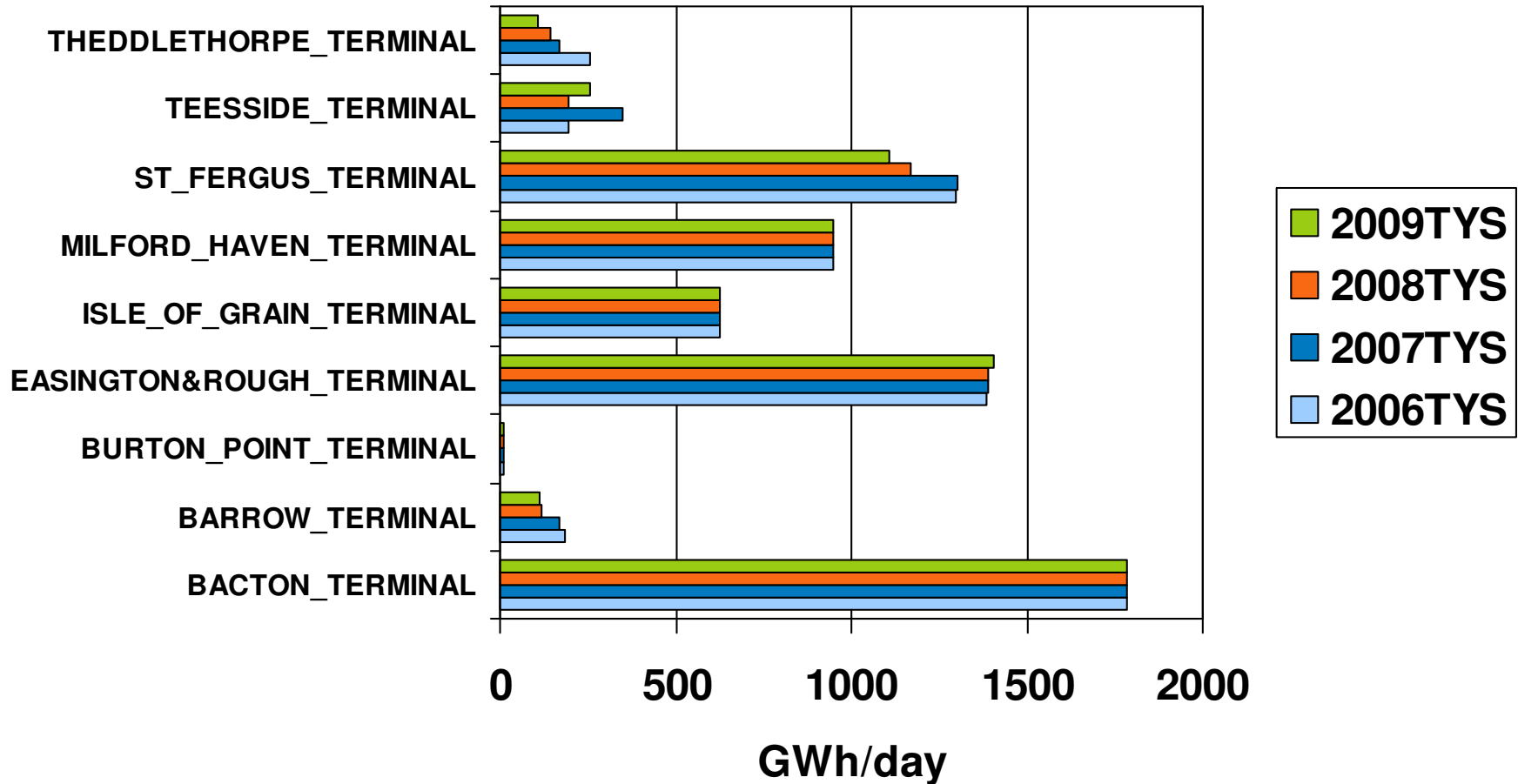
The analysis indicates a change in prices when the modelled supplies at Milford Haven fall below the South Wales (WS) modelled (forecast) demand.

# 2012/13 Charge Setting Supply Data

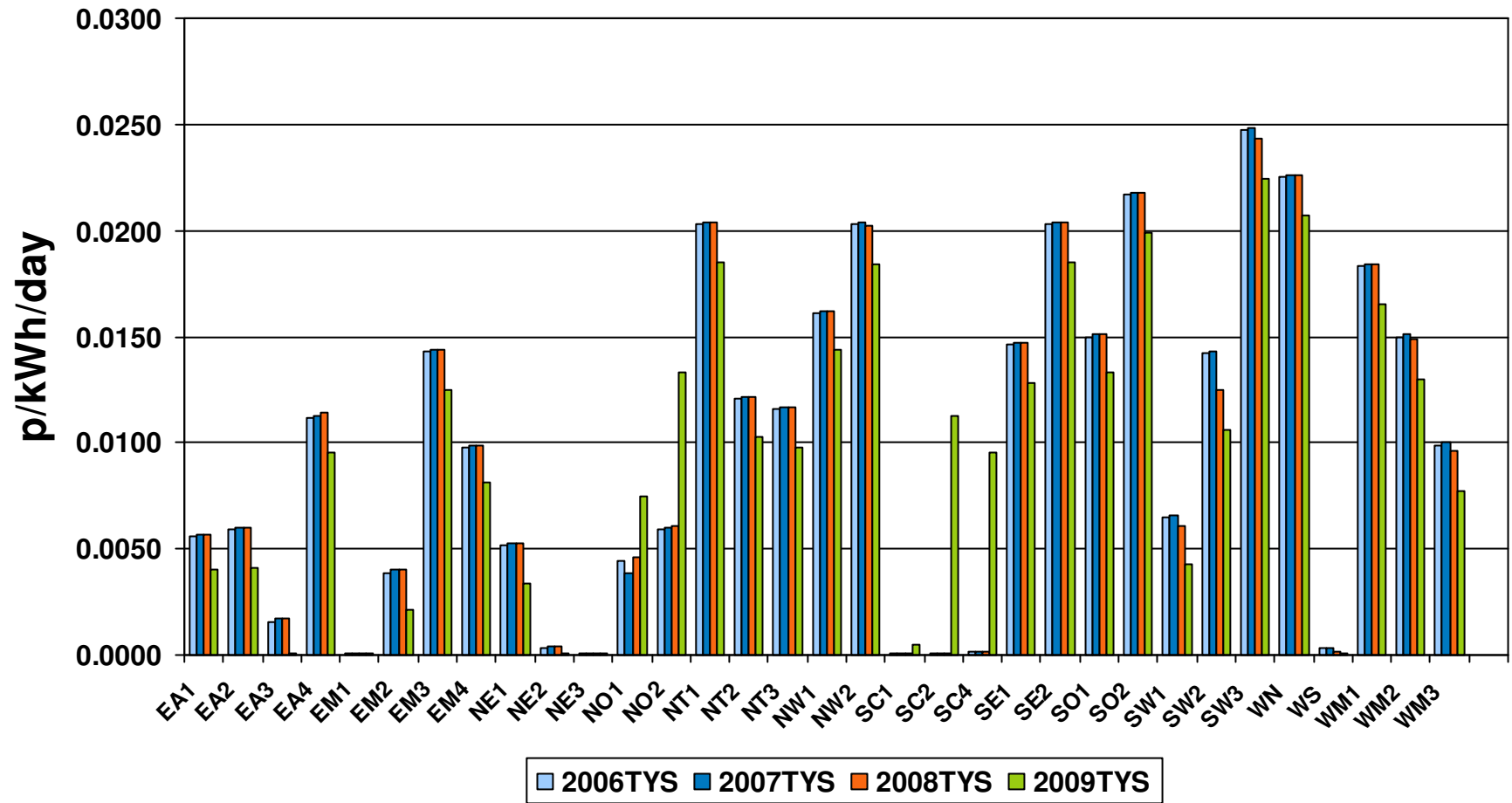




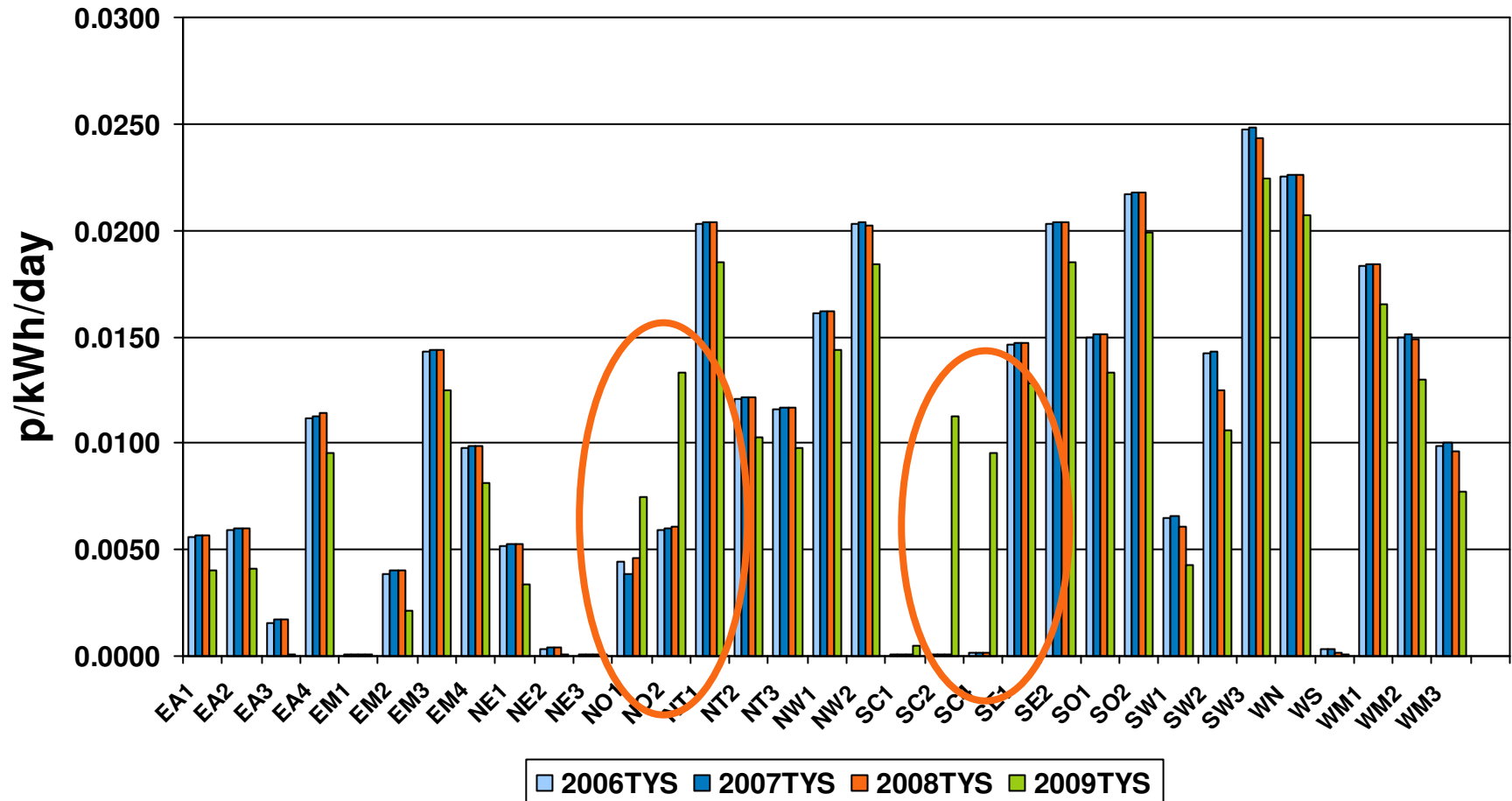
# 2012/13 Charge Setting Non-Storage Supply Data



# 2012/13 Indicative NTS Exit Capacity Prices



# 2012/13 Indicative NTS Exit Capacity Prices



The analysis indicates a change in prices when the modelled supplies at St Fergus fall below the Scottish (SC) modelled (baseline) demand.