

**Gas
Transmission**

Forecasted Contracted Capacity Workshop

11 March 2021

nationalgrid



Agenda

1. **Timetable to follow – reminder of dates**

2. **Discussion topics – opportunity to feed in comments in addition to any sent in to National Grid on the Entry and Exit approaches to date**
 - **Some Further thinking from National Grid from feedback / discussion on 04/03/2021**
 - a) **Exit – utilisation factors and number of years for flows**
 - b) **Entry – reviewing monthly profile versus quarterly – summary level**

3. **Discussion – FCC Methodology Drafting**

4. **Any other Feedback**

High level timeline between now and May 2021:

**Publication of
October 2021 Entry
and Exit Reserve
Prices**

Weekly workshops, monthly NTSCMFs →

FCC
Updates

FCC Methodology
consultation

FCC Methodology
update in place

Updated FCC Values
for Charge Setting



Workshop	Agenda	Workshop	Agenda	Workshop	Agenda
11/02/2021	Exit draft (outline & summary)	11/03/2021	Updates / FCCM Drafting	08/04/2021	Reviewing FCC in line with FCCM
18/02/2021	Entry draft (outline)	18/03/2021	FCCM Final Text	15/04/2021	Reviewing FCC in line with FCCM
25/02/2021	Entry Data / updated Exit	25/03/2021	Reviewing FCC in line with FCCM	22/04/2021	Reviewing FCC in line with FCCM
04/03/2021	Updates / FCCM Drafting	01/04/2021	Reviewing FCC in line with FCCM	29/04/2021	Finalising the FCC in line with the FCCM

National (Period ahead of consultation on Methodology to be used to produce the FCC | Period of applying the methodology to determine FCC

Workshop 04 March 2021

- **Summary of the main discussions**
 - a) On Exit consideration to lower number of years, taking out highest and lowest
 - b) Some concerns that there are too many instances of capping the utilisation factor
 - c) Question raised regarding AFLEC and treatment should part of user commitment for Gas Year Y
 - d) NG would try to look at the above points to show materiality or provide updates

Additional thinking and assessments from National Grid

1. Reviewing some options from feedback on 04/03/2021

- a. 3Yr average in place of 5 (removing highest and lowest)
- b. No amendments to utilisation
- c. No amendments to utilisation (except one Power Station)
- d. No amendments to utilisation (except one Power Station and Interconnector)

Exit Point Type	FCC Exit Methodology v8 Ex2	Historic Flows - 5 Year Exclude Max/Min (Av 3)	No Amendments made to any Utilisation Factor / Future sold > flow values	No Amendments made to any Utilisation Factor / Future sold > flow - except for 1 PG Site	No Amendments made to any Utilisation Factor / Future sold > flow - except for 1 PG Site & Interconnector
DC - POWER STATION	612,330,028	610,840,712	3,749,285,789,500	915,248,158	915,248,158
DC - INDUSTRIAL	90,247,683	90,282,298	117,077,349	117,077,349	117,077,349
GDN	3,979,629,092	3,979,629,092	3,979,629,092	3,979,629,092	3,979,629,092
INTERCONNECTOR	397,131,757	396,846,644	3,502,549,287	3,502,549,287	414,399,526
STORAGE SITE	230,803,364	230,876,536	687,898,797	687,898,797	687,898,797
TOTAL	5,310,141,924	5,308,475,282	3,757,572,944,026	9,202,402,683	6,114,252,922

Additional thinking and assessments from National Grid

2. Comparing Quarterly to Monthly for Entry

- a) Where any quarterly assessments are done this is replaced with Monthly
- b) Same method as per the existing model / approach in terms of steps

Entry Point Type	Quarterly Model	Monthly Model	Variance	
STORAGE SITE	1,453,139,724	1,453,139,724	0	
INTERCONNECTION POINT	126,292,051	127,399,574	1,107,522	
BEACH TERMINAL	2,121,922,138	2,121,759,693	-162,445	
ONSHORE FIELD	19,249,225	19,272,952	23,727	
BIOMETHANE PLANT	500,000	500,000	0	
LNG IMPORTATION TERMINAL	1,225,146,301	1,230,061,725	4,915,424	% Var
TOTAL	4,946,249,439	4,952,133,668	5,884,229	0.1%

FCC Methodology Drafting

- **FCC Methodology draft**
 - a) Published <https://www.nationalgrid.com/uk/gas-transmission/charging/gas-charging-discussion-gcd-papers> on 03 March 2021
 - b) Document kept same format as current Methodology
 - c) Updated to be in line with the draft approached for Entry and Exit
 - Includes wording for indicative years
 - d) Comments can be shared in this workshop plus sent direct to National Grid at any time

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