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30th November, 2017

Our Ref: 2017 – Knottingley Power Station - ExCS

Dear Industry Colleagues,

Knottingley 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 15th May 2017. The application achieved competency¹ on 22nd May 2017. The application requested firm Enduring Annual NTS exit (Flat) Capacity² in excess of the prevailing baseline capacity level at the Knottingley power station exit point. The application requested up to:

- 71,183,770 kWh/d from 30th November, 2020

The PARCA application triggered Phase 1 of the PARCA process on 30th May, 2017.



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 substitution of unsold exit capacity from a number of Distribution Network (DN) and Direct Connect (DC) (power stations and industrials) exit points as follows;

- From West Burton, Blyborough (Cottam), Saltend HP and Thornton Curtis (Killingholme) DC exit points, and Blyborough and Thornton Curtis DN exit points, from 1st November 2020.

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 1st November, 2020

As part of the Phase 1 works, National Grid completed network analysis to assess what 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 meet the Firm Enduring Annual NTS (Flat) Capacity requirements in excess of the prevailing baseline NTS Capacity at the Knottingley power station exit point in full.

National Grid therefore proposes that from 1st November, 2020;

- All of the additional Baseline NTS Capacity identified at the Knottingley power station exit point can be met by substituting unsold NTS Baseline Capacity from West Burton, Blyborough (Cottam), Saltend HP and Thornton Curtis (Killingholme) DC exit points, and Blyborough and Thornton Curtis DN exit points (See table below).

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)	Total Exchange Rate (Donor : Recipient)
Knottingley power station	West Burton Power Station	23,035,220	15,465,700	1.4894 : 1	1.7613 : 1
	Blyborough (Cottam) Power Station	19,300,000	13,360,000	1.4446 : 1	
	Saltend HP	44,105	20,000	2.2053 : 1	
	Blyborough (DN)	23,504,144	17,160,000	1.3697 : 1	
	Thornton Curtis (DN)	22,853,961	10,020,000	2.2808 : 1	
	Thornton Curtis (Killingholme) Power Station	36,640,000	15,158,070	2.4172 : 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>
Knottingley Power Station	DC	Recipient	0	71,183,770	0
West Burton Power Station	DC	Donor	26,839,694	0	0
Blyborough (Cottam) Power Station	DC	Donor	19,300,000	0	0
Saltend HP	DC	Donor	9,100,000	9,055,895	0
Blyborough (DN)	DN	Donor	79,330,000	55,825,856	0
Thornton Curtis (DN)	DN	Donor	118,190,411	95,336,450	0
Thornton Curtis (Killingholme) Power Station	DC	Donor	91,000,001	54,360,001	54,360,001

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