Pre Modification Discussion
Treatment of Capacity at Combined ASEP’s
Recap of issues and concerns raised

**UNC 0621**

- Proposals in Combined ASEP mod is highly dependent on draft proposals in UNC 0621.
- Key depending on revenue reconciliation charge.
  - Capacity top up or commodity.

**Abandoned Capacity**

- For different charging treatment to apply, charging has to be able to recognise “Abandoned” Capacity.
- If reconciliation is flow based how does it apply to abandoned capacity at IPs?
Proposed areas of focus

Storage (Entry)

- Pay full price for new entry storage capacity at ASEPs
  - Capacity retains full fungibility
- Introduce an ex-post adjustment if the capacity is flowed against. (i.e. flow against entry storage point)
  - The ex-post discount will be based on prevailing reserve price
- Trades will be assumed to be on the existing Capacity before new capacity
- Rule that assumes that the flow will be against the existing capacity first before flowing against the new capacity
Proposed areas of focus

Abandoned Capacity

- Introduce rules and criteria to identify abandoned capacity.
  - This may, depending on proposal in UNC 0621 focus on abandoned capacity at IPs.
- No capacity top up charge. (if one applied)
- Trades on “non-abandoned” before abandoned
- Flow against “non-abandoned” but if nomination is greater that “non-abandoned” holding can allocate against “Abandoned “ but any such portion will lose its abandoned status.
Proposed areas of focus

Abandoned Capacity

- Abandoned retains fungibility
  - Can trade/surrender capacity and offer for buyback
Next steps

- Requires clarity on Revenue recovery charge in UNC 0621
  - NG still proposing a commodity based charged but this is contentious
- Take the draft/proposal to workgroup
- Analysis around the materiality impact of potential options
1. General Update
## Code Status Update

<table>
<thead>
<tr>
<th>Code</th>
<th>Current Status</th>
<th>Implementation date</th>
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</thead>
<tbody>
<tr>
<td>Tariffs (TAR)</td>
<td>Entered into Force 6 April 2017, Mods now being raised (e.g. UNC 0621 + combined ASEP Mod)</td>
<td>Applicable from 6 April 2017, 1 October 2017, 31 May 2019</td>
</tr>
<tr>
<td>Transparency (TRA)</td>
<td>Entered into Force 6 April 2017</td>
<td>Applicable from 01 October 2017, First publication end 2017</td>
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<tr>
<td>CAM amendments</td>
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</table>
2. EU Code Updates
Tariff Code Update
Tariff Code: Transparency Requirements

- Publication of IP reserve prices on ENTSOG Platform by December
  - Data to be sent from 2 November (testing phase)
    - Number of bugs have been identified, so ENTSOG Task Force delivering this has been extended to January 2018
  - New page on Platform goes live 2 December 2017
- Publication of detailed charging and financial information on TSO website (Art 30) by end of year
Publication of Tariff Data (Transparency)

- We have currently created the template that will be published on the website (TAR NC Art 30)
  - It will have links to where the various data items are located on the website
- NG aims to publish template on new NG website on 02 November 2017 during the Beta test phase of the site
- The aim is to have as much information as possible by end of November
- The template will be constantly reviewed and updated
ENTSOG 2\textsuperscript{nd} TAR NC Implementation Workshop

- Second External TAR NC Implementation Workshop on 5 October.
  - Updated IDoc (Implementation Document) now published
    - Includes updates based on stakeholder feedback from 1\textsuperscript{st} workshop
  - IDoc and all materials now published on ENTSOG website
    - \url{https://www.entsog.eu/events/second-implementation-workshop-for-the-network-code-on-harmonised-transmission-tariff-structures-for-gas-tar-nc}
Published after 2\textsuperscript{nd} Workshop

- Updated slides with notes (on the basis of the IDoc and speeches, only for ENTSOG’s presentations)
- Minutes with focus on Q&A
- Short videos with the presentations (all the speakers)

Internal discussions within ENTSOG as to possible 3\textsuperscript{rd} Workshop (Autumn 2018)
2 October 2017: TSOs issued with questionnaires for Implementation Monitoring Report and Effect Monitoring Report

- Responses required by 2 November and 2 December 2017
- NG now finalising responses
- ENTSOG to produce reports by Q1 2018

National Grid shall publish its submissions on its website
UNC Mod 0621: Amendments to Gas Transmission Charging Regime

- Main Mod now raised (UNC 0621)
  - Holistic GB charging review incorporating EU requirements
  - [http://www.gasgovernance.co.uk/0621](http://www.gasgovernance.co.uk/0621)

- Timeline driven by EU Tariff Code - implemented by end of May 2019, prices impacted from October 2019.
UNC Mod 0621: Amendments to Gas Transmission Charging Regime

- **10 October 2017**: Publication of draft proposal
- **13 October 2017**: Proposals discussed at NTSCMF

This is a draft proposal and some items may need ongoing consideration.

Further updates to be presented at future NTSCMFs.

[https://www.gasgovernance.co.uk/ntscmf](https://www.gasgovernance.co.uk/ntscmf)
Future Topics
## Future Topics

<table>
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Modification 0628S
NETWORK INNOVATION COMPETITION PROJECT:

CUSTOMER LOW COST CONNECTIONS (CLoCC) – MOD 0628S DEVELOPMENT

Nicola Lond
Commercial Lead

TWG November 2017
Mod 0628s – Standard Design Connections: PARCA process

- **Principles of Mod:**
  - Accelerated route through the PARCA Phase 1 process for a capacity quantity consistent with a Standard Design and where National Grid has identified that capacity is currently available
    - For a standard design this would be via Connections online portal capacity indicator
  - A appropriate fee can be charged to reflect the reduced time required for an accelerated route
Enquiry for connection

May try again

Enquiry for connection

Capacity indication received

Apply?

Yes

Pay Fee

No

END

Query Discussion If required

Traffic Light assessment of capacity*

Output G,A,R at indicative quote*

Apply for Capacity

Apply?

G A R at indicative quote*

Data provided for traffic light (periodic update)

Fee Paid

Invoice PARCA Fee

Fee Paid

Green Validation (~2 weeks)

Analysis (~4 weeks)

Red Stage 3 full process

*for customers meeting criteria for indicative quote – can fit standard designs
Informal Notice to Ofgem/industry

CUSTOMER

Pay Fee

yes

Red: proceed?

END

No

PARCA offer received?

Sign?

VALIDATION

Green Validation (~2 weeks)

Analysis (~4 weeks)

Red Stage 3 full process

Validation completed

Output G/R?

Assess point Capacity substituted from (~8 weeks)

Informal Notice to Ofgem/industry

Produce PARCA Offer

Normal PARCA process

RED

PAGE 2

TERMS

Pay Fee

RED

END

No
Industry Questions so far....

Q: Appropriate Fee?

A: We are currently undertaking an Activity Based Costing assessment for the PARCA accelerated route activity to determine what the revised fee would be. As network analysis resource is reduced this will be reflected. A proposal regarding fixed fee can be discussed.
UNC – for review

- TPD B 1. 15 The PARCA Application Process
- TPD B 1. 16 The PARCA Window
- TPD B 1. 17 Phase 1 PARCA Works
- TPD Y Connection Changing Methodology – Section 5
  Reservation of capacity through a PARCA
  - 45. Phase 1 PARCA Works
### Mod Timetable – Next Steps/Planning

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Project CLoCC
Customer Low Cost Connections

www.projectclocc.com

Contact:
Nicola Lond
Commercial Lead

m:+44 07824 551667
nicola.j.lond@nationalgrid.com
Modification 0629S
NETWORK INNOVATION COMPETITION PROJECT:

CUSTOMER LOW COST CONNECTIONS (CLoCC) – MOD 0629S DEVELOPMENT

Nicola Lond
Commercial Lead

TWG November 2017
Mod 0629s – Standard Design Connections: A2O connection process

Principles of Mod:

- More efficient offer process for a Standard Design connection
  - Standard Designs are Pre-approved and Pre-appraised
  - Connection Online Portal provides automation of Conceptual Design Study (CDS) – engineering study for Full Connection offer (FCO)
- A appropriate fee can be charged to reflect the reduced time required for a Standard Design Connection
- Ability to offer Enhancements to Minimum Offtake Connection (MOC) for filtration and Metering
Example Designs – Scalable, Portable, Simplified
Standard design gas connections journey

Application to Offer (A2O) Process

1. Indicative quote available
2. Online application submission
3. Payment of application fee
4. National Grid verification
5. Offer confirmed

Approx. 2 months

Delivery Process

1. Customer accepts Offer
2. Connection payment – first instalment
3. Detailed Design
4. Build & commission
5. Deliver connection

Approx. 10 months

Full delivery within 12 months to achieve CLoCC core objectives
Q: what is T/SP/G/19?

A: CLoCC is producing standard designs which will also get approved and appraised as “model design appraisals” in accordance with T/PM/G/19 Management Procedure for Application of Model Design Appraisals, which is a National Grid procedure. This process is already completed in advance for a standard design.

For a site specific modification designs are subject to a design appraisal process in accordance with National Grid Management Procedure T/PM/G/35 Procedure for the Management of New Works, Modifications and Repairs for National Transmission. This policy will still be followed in Detailed design for site specific elements of design.
UNC – For Review

- TPD V.13 – NTS Connections
- TPD Y Connection Charging Methodology – Section 2/3, Definitions
- TPD I 1.2.2 /J 1.4.4 - Entry/Exit requirement Customer Types
- TPD M – Metering
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Can use Webex for additional meetings to progress if appropriate/required.
National Grid Gas Quality Consultation
National Grid Gas Quality Consultation

- National Grid has published a gas quality consultation via ENA and at
  http://www2.nationalgrid.com/uk/industry-information/gas-transmission-system-operations/gas-quality/

- Industry views are sought on:
  - Processes for agreeing gas quality limits at NTS entry points
  - Potential National Grid gas quality services

- The consultation is open until Friday 17 November 2017

- We will report on the results in January 2018

- For further information, please contact philip.hobbins@nationalgrid.com or by phone on 01926 653432
Nationalgrid.com upgrade project

02 November 2017
The case for change is driven by customer feedback

- Both the industry and customer expectations are changing rapidly

- We have restructured our business around the customer journey to optimise delivery of customer value

- Our website is a major customer interface and needs to also improve to transform the customer experience
We have identified three improvement themes through obtaining feedback from customer satisfaction surveys:

1. Speed and functionality
2. Search and navigation
3. Language and content

Can you pull up that information from the National Grid website please? I need this data urgently for a client on the phone.

Sorry it’s still loading!!

Do you know where to find the SOF on the National Grid website?

Have you tried a Google search?

I hear we can earn additional revenue by selling National Grid services, but where do I go on this site!? Perhaps we can try the charging section?

14% of responders 77% of responders 9% of responders
Our guiding principles for redesign

• Improving the navigation is one of our main priorities

• The website will be structured around the tasks that customers want to complete

• Success will be based on how quickly and easily a customer can complete a task
1. The high level site has been designed with a cleaner look and feel.
2. Navigation has been improved significantly through cleaner menus.
Next steps

• The new website is in beta stage for customers to test
• The old website will still be available in parallel
  • We are seeking customer feedback on the new website during this Beta phase and we would appreciate your support
  • Phase 2 of the website project will look at: –
    Refinements
    – Content design
    – Enhanced functionality