



# Discretionary Release of System Entry Capacity (DRSEC) Auction

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Gas Operational Forum on 12<sup>th</sup> August 2009

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# DRSEC - Background

- ◆ **Discretionary Release of System Entry Capacity Auction (DRSEC)**
  - Introduced in Q308 (Mod 216) – Allows National Grid, at its discretion, to hold System Entry Capacity auctions outside of and in addition to Uniform Network Code (UNC) defined auction mechanisms (e.g. QSEC, AMSEC, RMTNTSEC etc)
  - Can be held in response to User requests or initiated by National Grid
  
- ◆ **DRSEC attributes**
  - Release additional non obligated firm NTS entry capacity (i.e. in addition to any unsold obligated NTS entry Capacity)
  - At those points on the network where it can be supported and there is sufficient demand
  - Capacity released at the ASEP is solely at National Grid NTS' discretion

## **DRSEC Latest**

- ◆ **National Grid NTS received a Long Term DRSEC request at Isle of Grain for Winter 09/10**
- ◆ **National Grid NTS issued an open letter on 3<sup>rd</sup> July to all Users requesting that Users register their interest**
- ◆ **No additional requests were received**
- ◆ **National Grid NTS issued a DRSEC invitation letter on 15<sup>th</sup> July 2009 for:**
  - Avonmouth, Easington, Garton, Hole House Farm, Hatfield Moor Onshore and Isle of Grain**
- ◆ **ASEPs with 10% or less of obligated unsold entry capacity were included**

# DRSEC Auction

- ◆ Auction Bid Window: 08:00 to 17:00 on Monday 17<sup>th</sup> August
- ◆ Users who wish to bid must accept the Terms and Conditions via the proforma (appendix 2) of the invitation letter, no later than 4pm on Thursday 13<sup>th</sup> August (via fax to 01926 654059)
  - Users who have not accepted the Terms and Conditions will not be able to place bids in Gemini
- ◆ Bids are to be placed on Gemini during the bid window 08:00 to 17:00 on 17<sup>th</sup> August 2009
- ◆ Please note where aggregate requests for capacity do not exceed the level of obligated unsold NTS Entry Capacity; bids will not be allocated

## **DRSEC Allocations**

◆ **Actual amount of capacity allocated (if any) is at the discretion of National Grid NTS and depends upon:**

- **User Demand**
- **Prevailing forecast grid conditions**
- **Risk and reward analysis**

◆ **Allocations in respect of successful bids will be made no later than Friday 28<sup>th</sup> August.**

◆ **Allocations will be published in Gemini.**

◆ **Aggregate allocation results will be published on the National Grid website no later than 1<sup>st</sup> September.**

## DRSEC – Further Information

The following information can be found on the National Grid website via [www.nationalgrid.com/uk/Gas/Data/CA/](http://www.nationalgrid.com/uk/Gas/Data/CA/)

- ◆ DRSEC Request Process (request forms, timelines and process maps) for both:
  - ◆ Long Term
    - For a Capacity Transaction Period of one month or more
  - ◆ Short Term
    - For a Capacity Transaction Period of less than one month
- ◆ DRSEC Invitation Letters
- ◆ DRSEC Aggregate Results

## Contact Information

### ◆ Long Term Entry Capacity Auctions

Please contact either Kay Haycock or Diana Dai via

+44 (0)1926 65 4057 or [capacityauctions@uk.ngrid.com](mailto:capacityauctions@uk.ngrid.com)

### ◆ Short Term (Daily) Entry Capacity Auctions

Please contact Melissa Albray or Navraj Dosanjh