

Distribution Networks Forum

8th November 2005

Emergency Curtailment Quantity

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Agenda

- ◆ Definition
- ◆ Objectives of Mod 0044 and the Emergency Curtailment Quantity
- ◆ Timings
- ◆ Obligations on transporters
- ◆ Process
- ◆ Methodology used to calculate ECQ
- ◆ P70 and P71 Notices
- ◆ Implementation / Conclusions

Definition

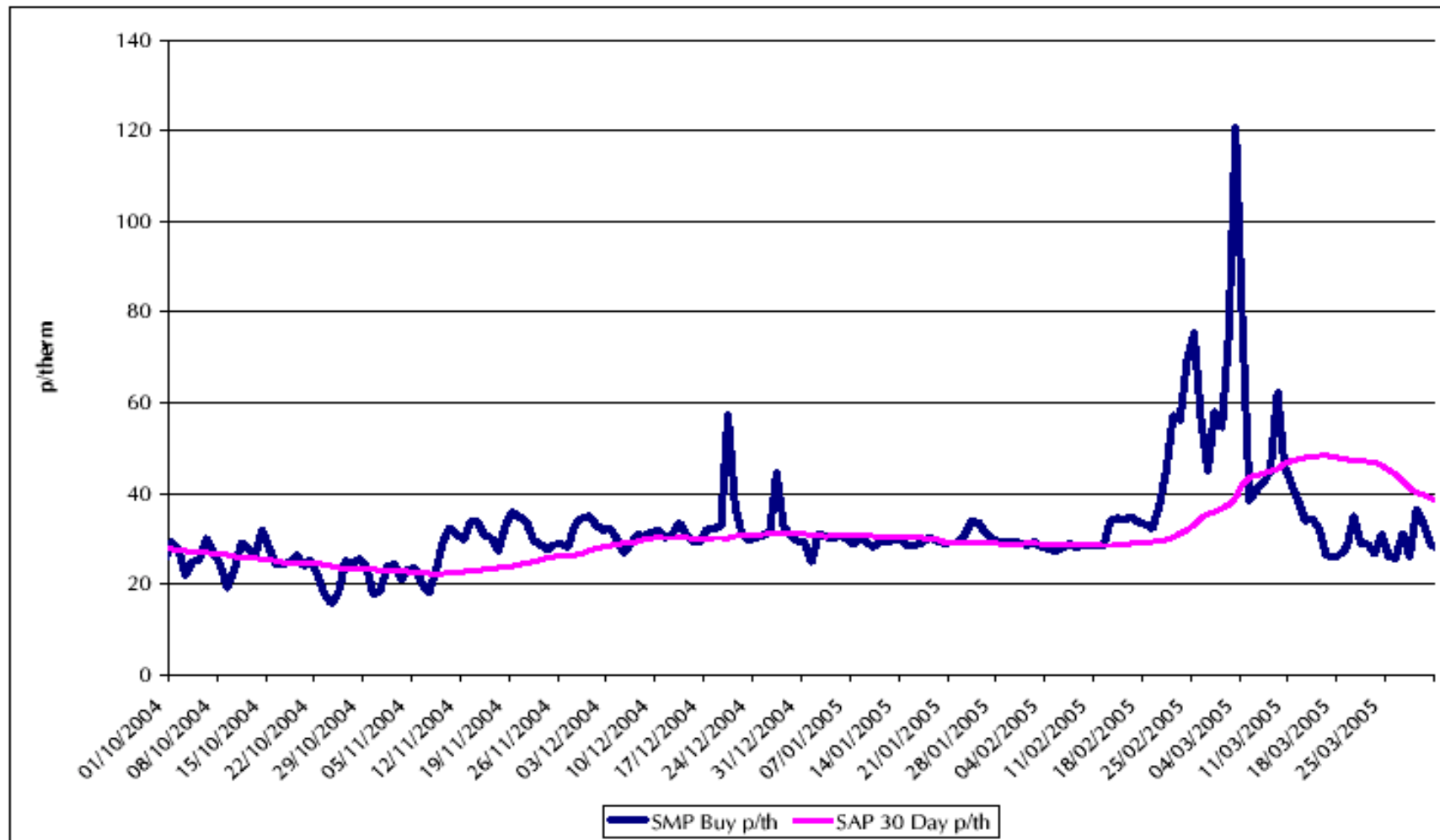
Emergency Curtailment Quantity

For each Shipper, the estimated quantity of gas that has been interrupted by the Gas Transporters during a National Gas Supply Emergency

Mod 0044 – Objectives

- ◆ Provide incentive on Shippers to contract for sufficient gas to meet demand for severe conditions
 - ◆ Alters emergency cash out arrangements
 - ◆ From –Single cashout price i.e.
30 Day Rolling System Average Price(SAP) for both Over and Under delivery
 - ◆ To – Dual price cashout i.e.
System Marginal Price Buy for Under delivery
System Average Price for Over delivery
- ◆ ECQ intended to ensure that no shipper benefits from the emergency curtailment of demand
- ◆ Transporters calculate ECQ
- ◆ Disputes process

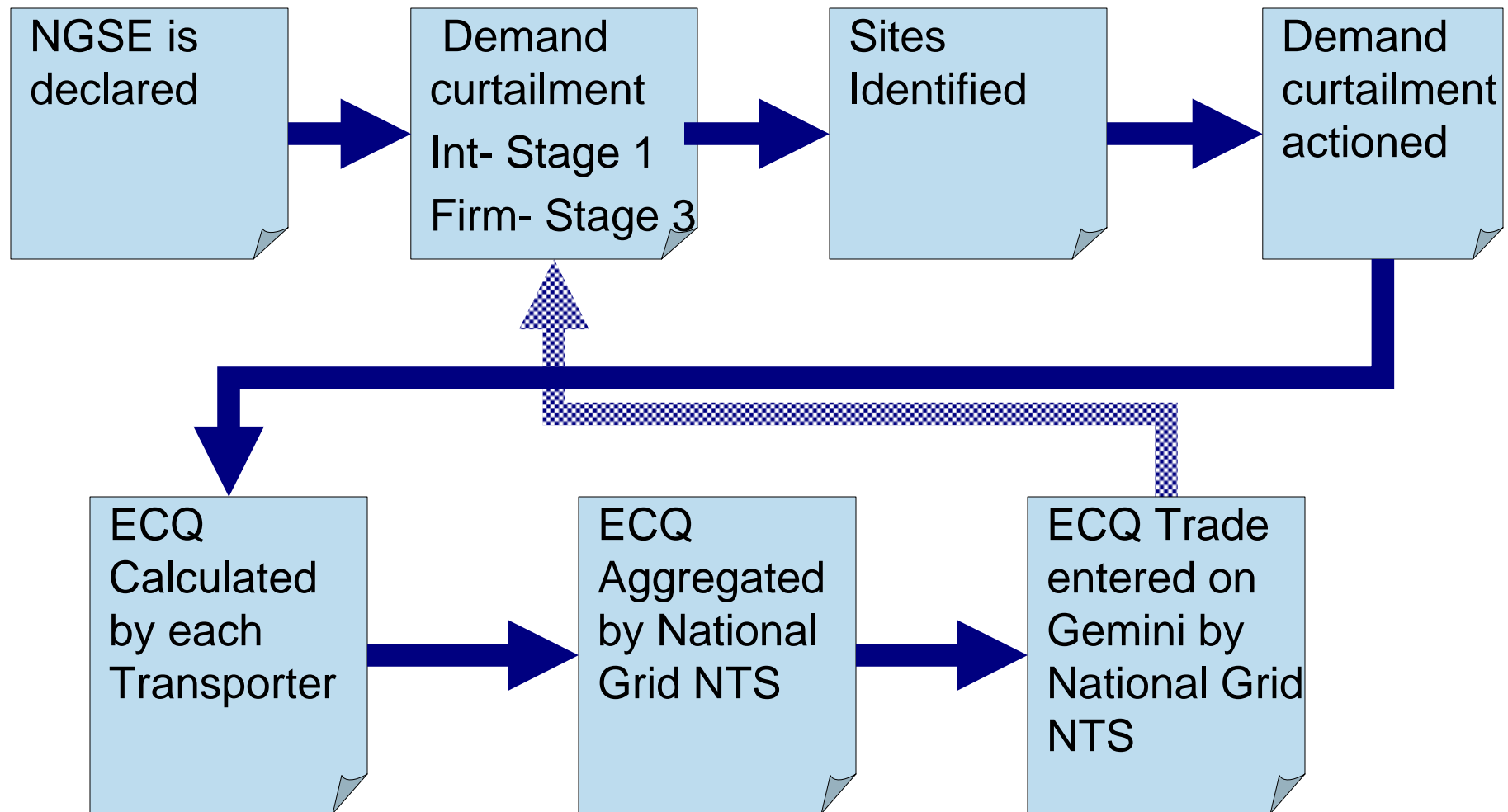
Comparison of SAP to SMP



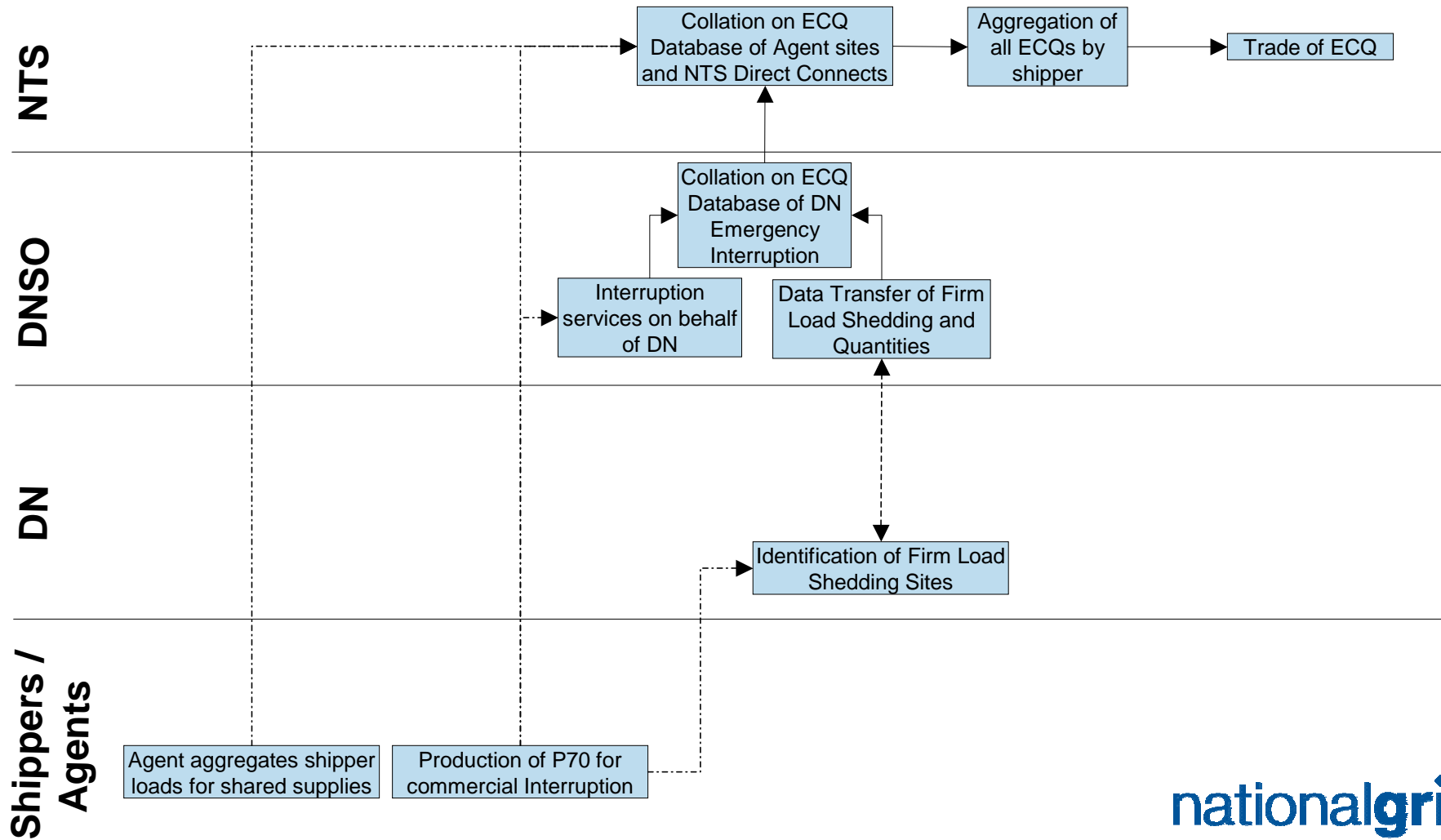
Mod 0044 - Obligations on Transporters

- ◆ Each transporter has the responsibility to
 - ◆ Calculate the ECQ value for each shipper on its network that has been interrupted
 - ◆ Communicate that figure to National Grid NTS
- ◆ National Grid NTS aggregate the transporters estimates
- ◆ National Grid NTS enter the ECQ trade into GEMINI
- ◆ Transporters provide information to shippers by D+4
 - ◆ Total quantity for the shipper
 - ◆ Allocated % from each transporter

Mod 0044 - High level process



Mod 0044 - High level process



Mod 0044 – Methodology

- ◆ Calculation of ECQ based on following:
- ◆ For NTS
 - ◆ OPNs where available
 - ◆ Nominations
 - ◆ Allocations starting with D-7 and rolling back if no data is available.
- ◆ For DNs:
 - ◆ Allocations
 - ◆ Flexi SOQ / SOQ

P70 and P71 process and ECQ Calculation

- ◆ Accounting for Shipper Commercial demand Curtailment
 - ◆ Interruptible – P70I
 - ◆ Firm – P70F
- ◆ Ensure that ECQ calculation takes account of shipper commercial demand curtailment
- ◆ Interruptible P70s are recorded on SC2004
- ◆ Firm P70s are recorded on an off-line system

Implementation

- ◆ Obligations apply to all Transporters
- ◆ Communication needed to ensure that P70 information and updated ECQs are captured
- ◆ Automated solution