

European Developments



December 2013

CMP – what is it all about?

- 1st European Network code to go live on 1st October 2013
- Aim is to ensure Gas pipelines are used as efficiently as possible across the EU (capacity sold v gas flow)
- Applies to all EU Interconnection points
- The code has five key areas
- Compliance will initially be achieved by adapting current business processes and using existing system functionality (there is no system change)

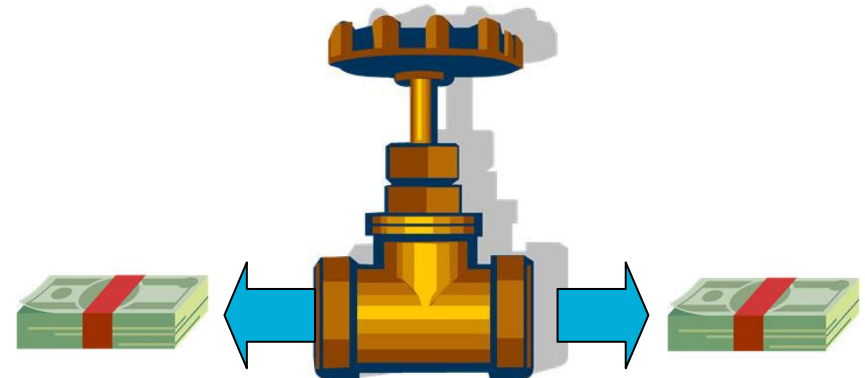
Future.....



- Long Term UIOLI – 2014
- Systematised CMP processes will be delivered with the 2015 release
- Firm Day Ahead UIOLI – 2016 (if congestion exists at any of our Interconnection Points)

CAM – what is it all about?

- European Network code to go live on 1st November 2015
- Applies to EU Interconnection points only
- Introduce sale of capacity using an EU calendar & new EU Capacity Products on an EU wide common platform
- Introduces a change to the Gas Day



What is this balancing topic all about?

- Harmonising the way in which gas is balanced across EU markets.
 - Based on a model similar to UK
 - Daily balancing regime/end of day balance position
 - Users incentivised to balance
 - Imbalance charging principles
 - TSO only take action after market (unless constraint situation) – merit order to balancing.
 - Trading platforms
 - Provision of information to enable Users can balance effectively.

Balancing - Principles

- Key difference from the UK regime:
 - Optional new products for balancing
 - Redefining physical as locational trades.
 - New nomination procedures at Interconnectors.
 - Some new information Provision requirements.
 - NDMA earlier submission of forecast.
 - NDMA accuracy reporting
 - Cross border cooperation for new projects following code implementation.

Interoperability & data exchange code

nationalgrid

- Key areas of change
 - Amendment to our Interconnection Agreements to include & agree on new contractual terms and operational processes
 - E.g. Matching rules, allocation rules, Operational Balancing Arrangements.
 - Gas Quality (managing differences & short term monitoring of quality to certain Users).
 - Target for non odourised networks – only a problem if Moffatt have physical reverse flow.
 - Common EU units for communication
 - Common data exchange solutions & standards

High level Delivery Roadmap

