

# System Management Principles Statement



- **Compliance report for April 2014 and May 2014**
- **Summary of balancing actions and breaches for April 2014 – May 2014**
- **Performance compared to last year**

# Summary Report

|                              | <b>Apr-14</b> | <b>May-14</b> |
|------------------------------|---------------|---------------|
| Total Number of Buy Actions  | 12            | 25            |
| Total Number of Sell Actions | 15            | 4             |
| Total                        | 27            | 29            |

|                                 | <b>Apr-14</b> | <b>May-14</b> |
|---------------------------------|---------------|---------------|
| Number of Material Breaches     | 0             | 0             |
| Number of Non-Material Breaches | 0             | 0             |

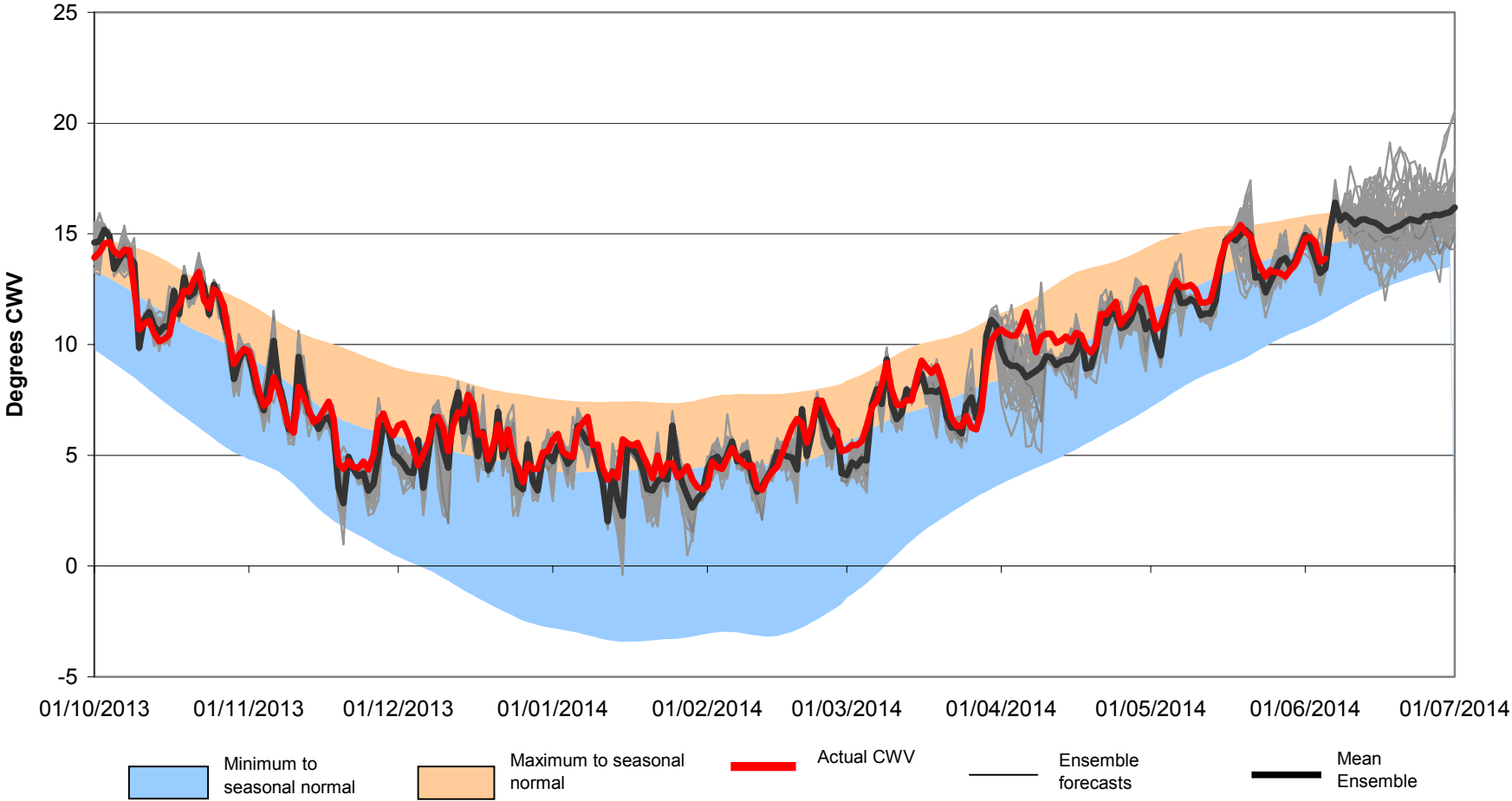
|                                                            | <b>May-14</b> | <b>May-13</b> |
|------------------------------------------------------------|---------------|---------------|
| Number of Balancing Actions<br>(Calendar year to date)     | 117           | 189           |
| Number of Material Breaches<br>(Calendar year to date)     | 0             | 0             |
| Number of Non-Material Breaches<br>(Calendar year to date) | 0             | 0             |

# Operational Overview



# Month-ahead ensemble CWV

October 2013 to July 2014 vs. Historical Range

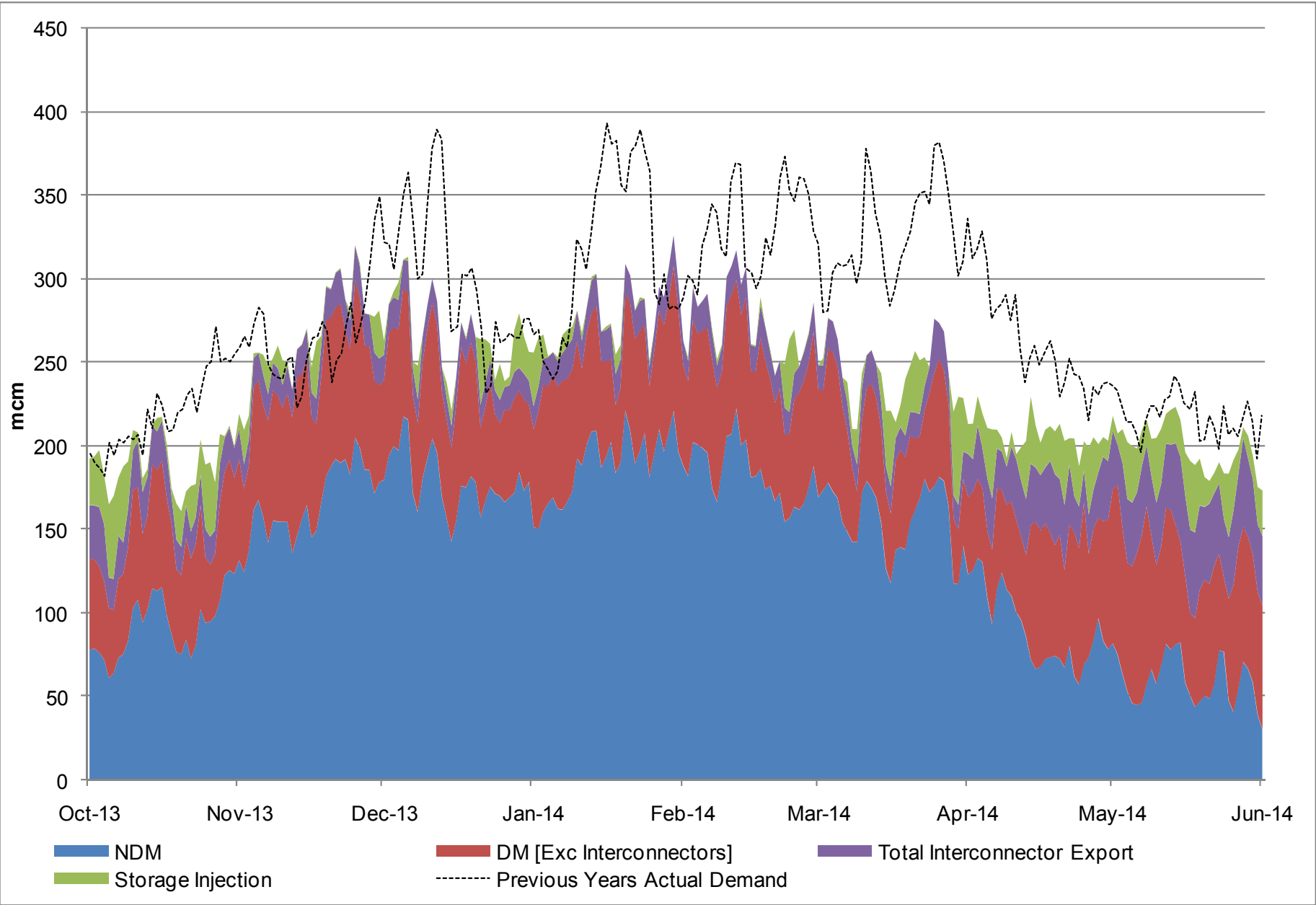


# Demands



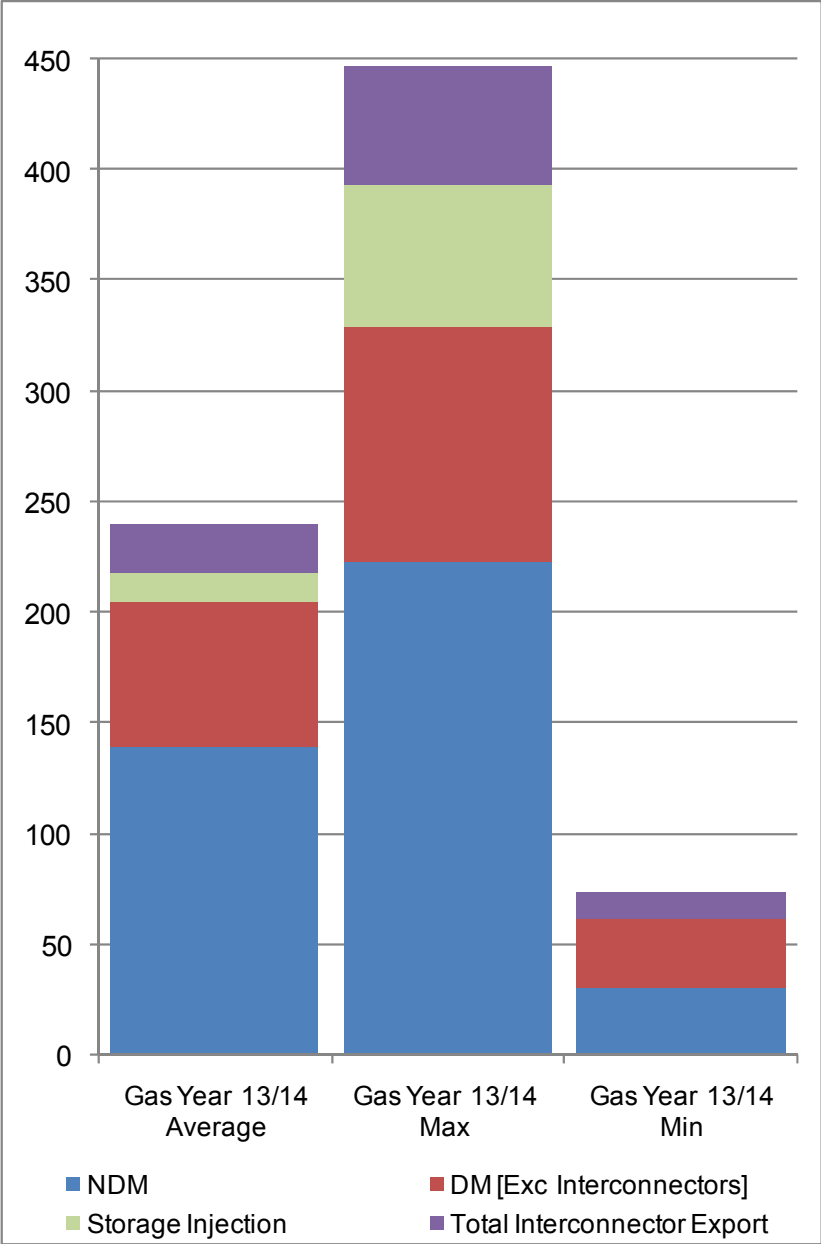
# Gas Demand Breakdown

1<sup>st</sup> October 2013 to 1<sup>st</sup> June 2014 Vs Previous Year



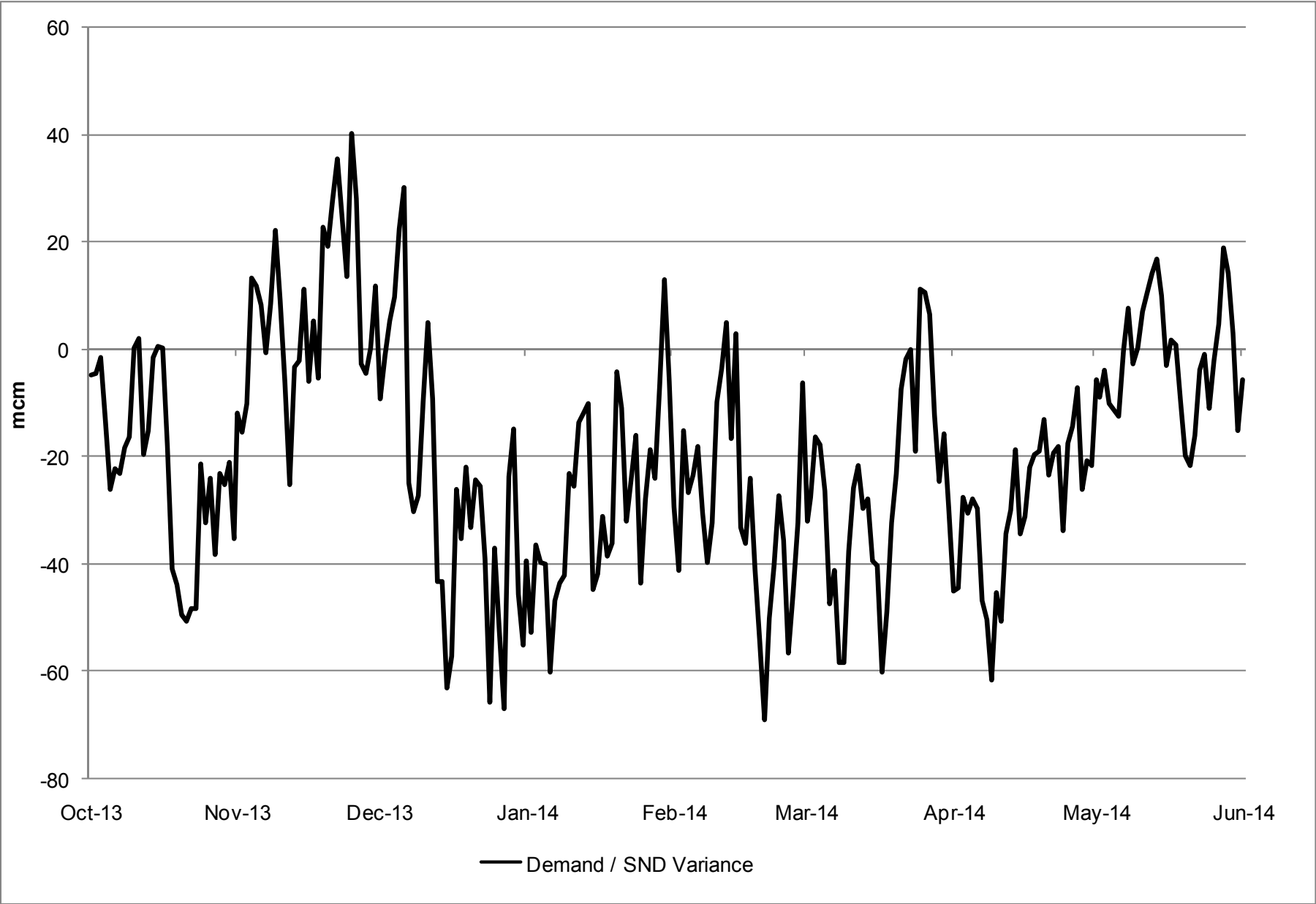
# Gas Demand Statistics

1<sup>st</sup> October 2013 to 1<sup>st</sup> June 2014



# Demand Variance from SND

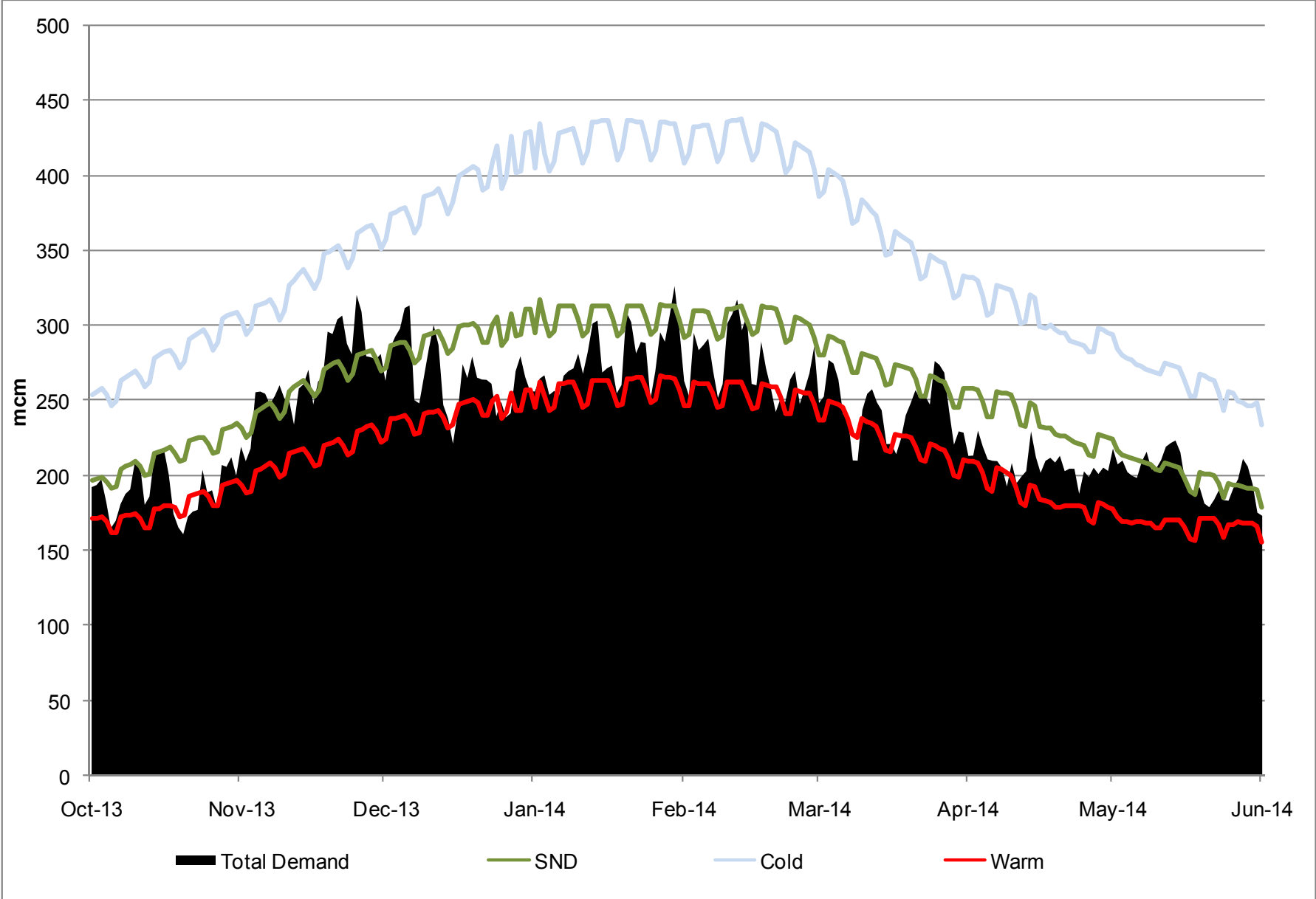
1<sup>st</sup> October 2013 to 1<sup>st</sup> June 2014





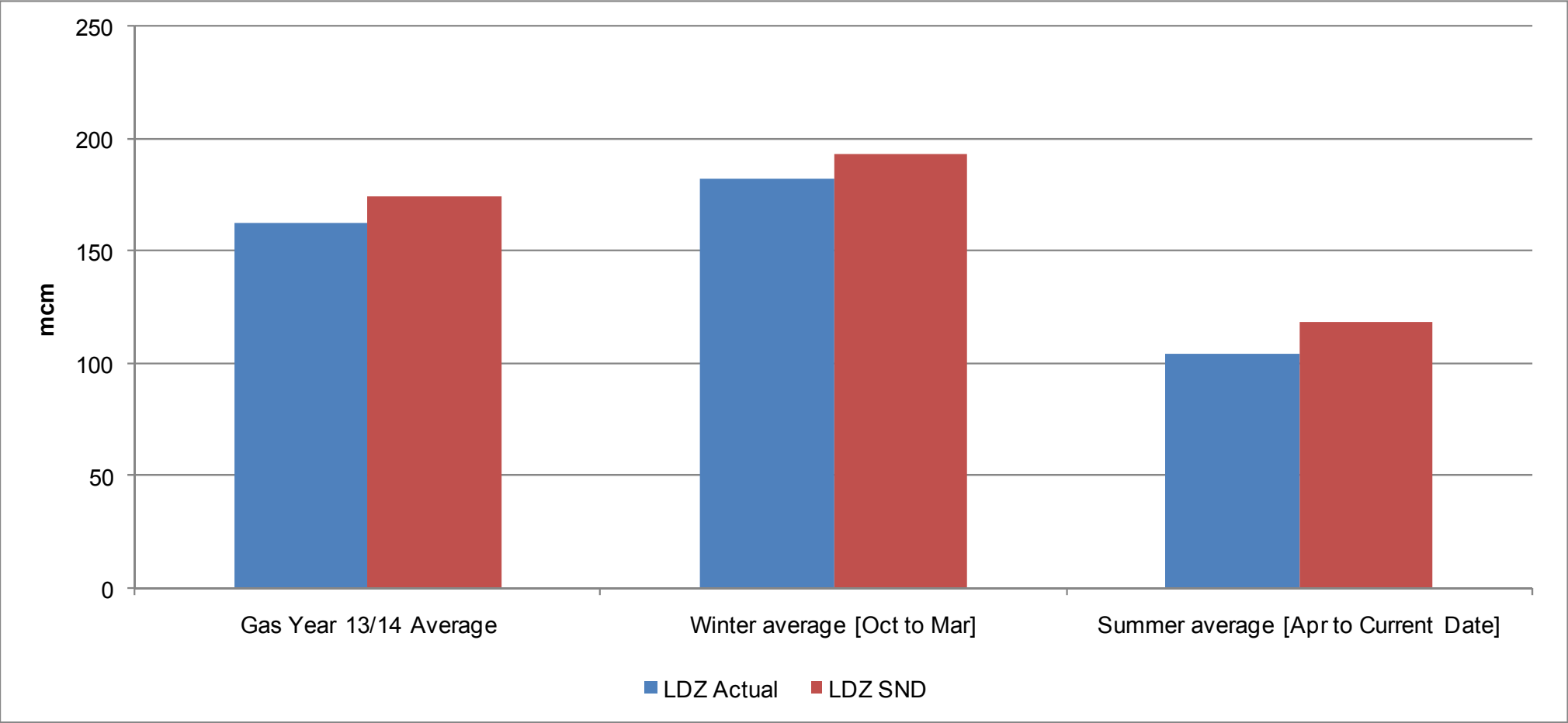
# Gas Demand Vs SND / Cold / Warm

1st October 2013 to 1st June 2014



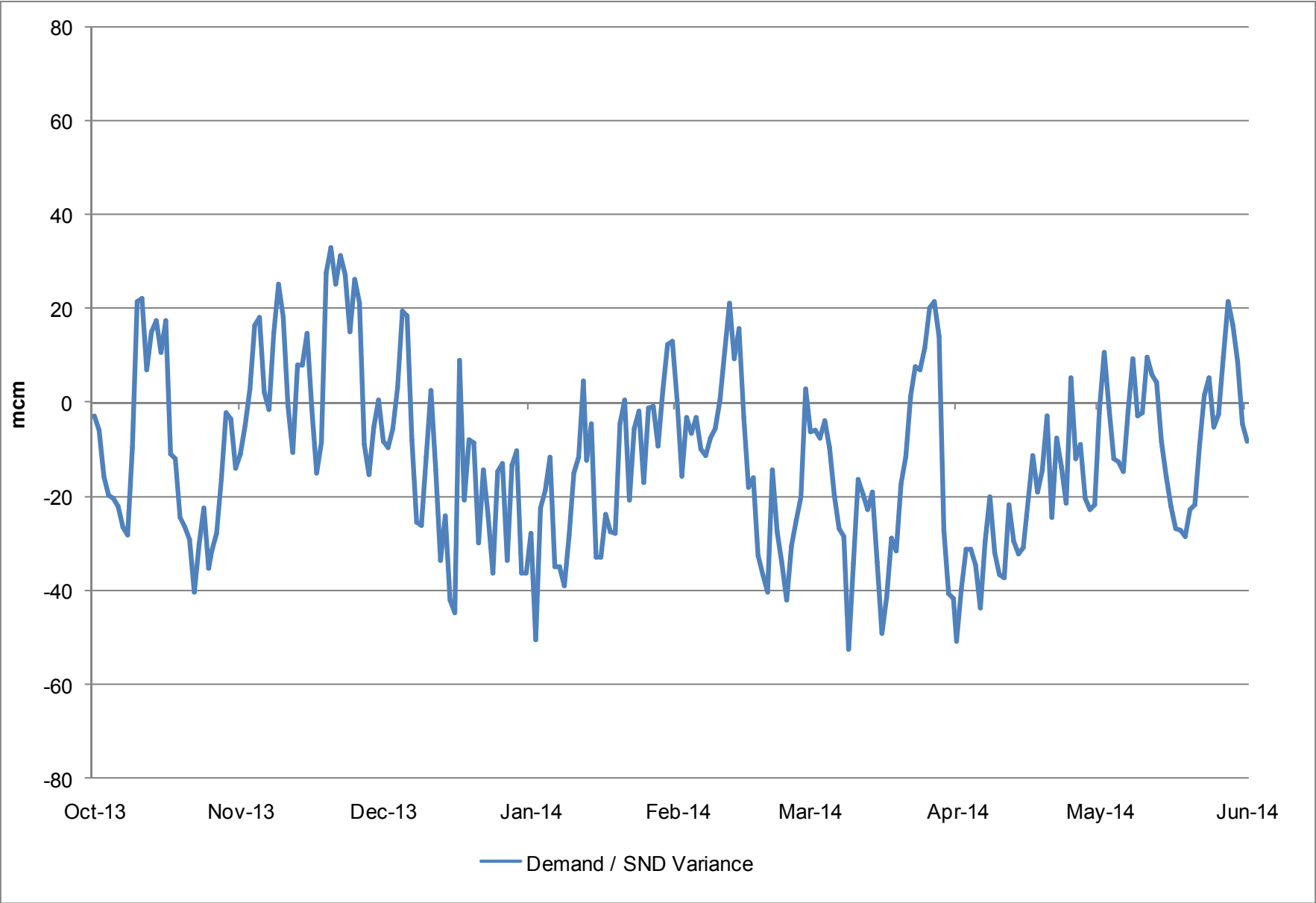
# LDZ Actual Demand Vs LDZ SND

1<sup>st</sup> October 2013 to 1<sup>st</sup> June 2014



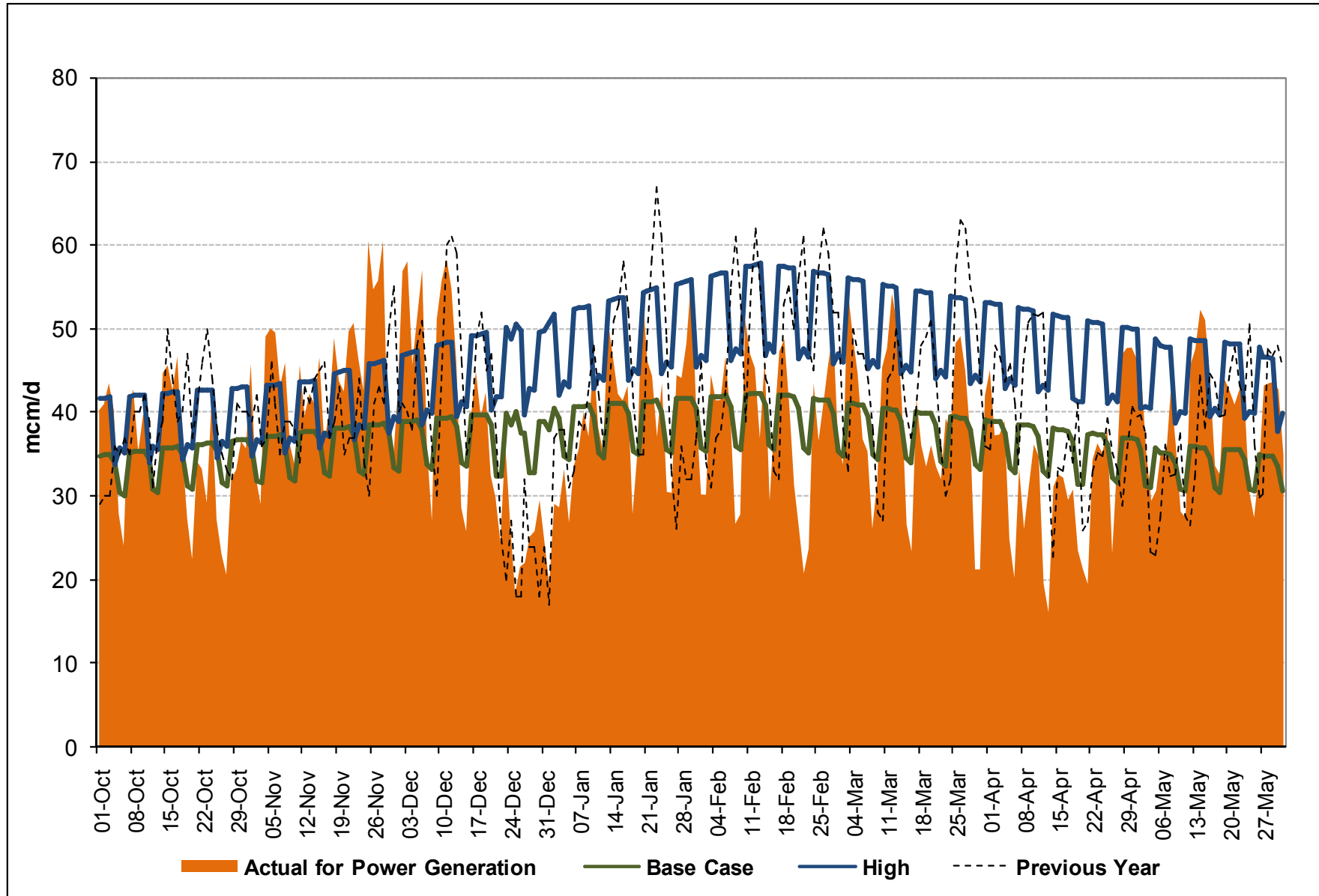
# LDZ Demand / LDZ SND Variance

1st October 2013 to 1st June 2014



# Gas Consumption for Power Generation

October 2013 to May 2014

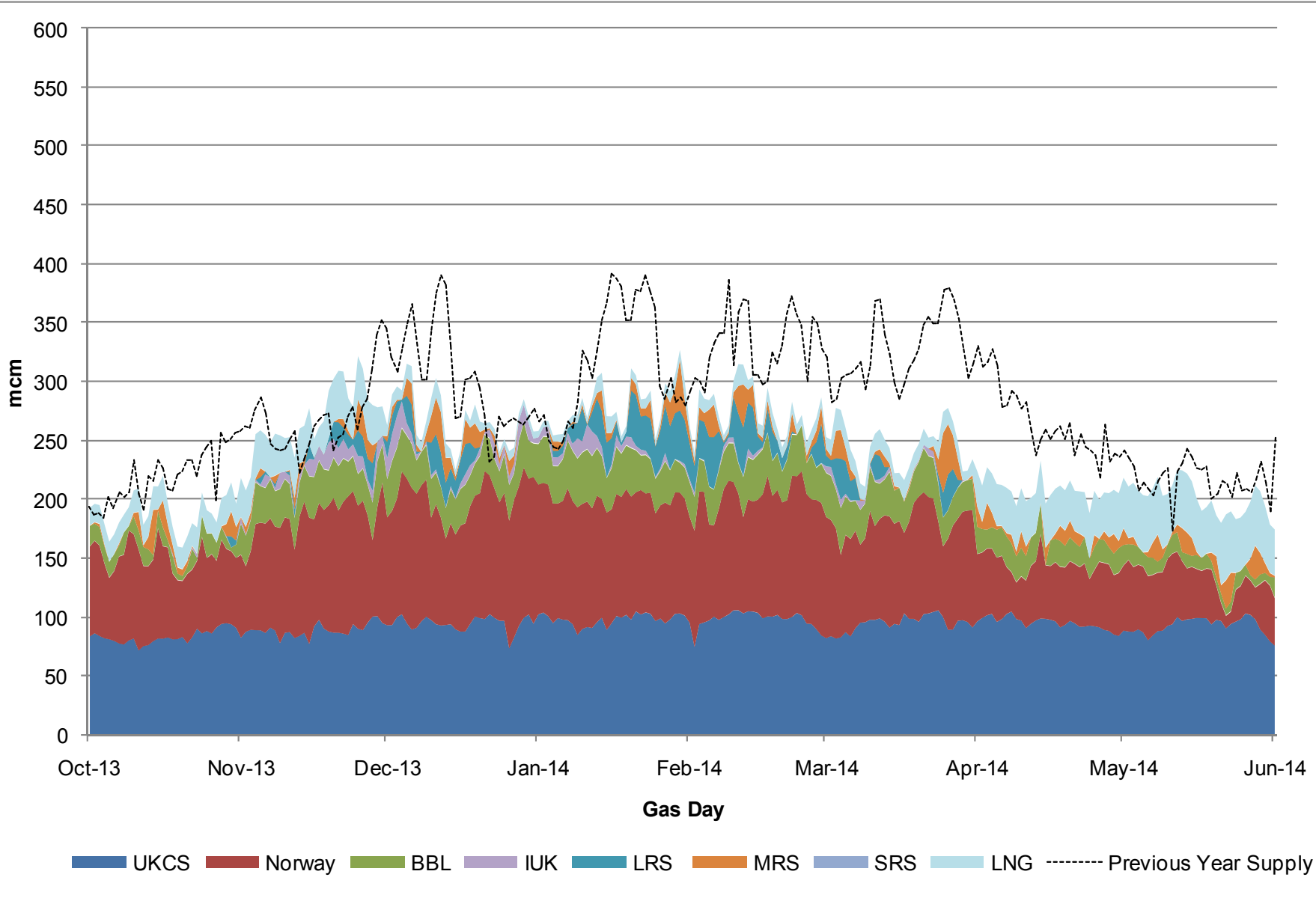


# Supplies



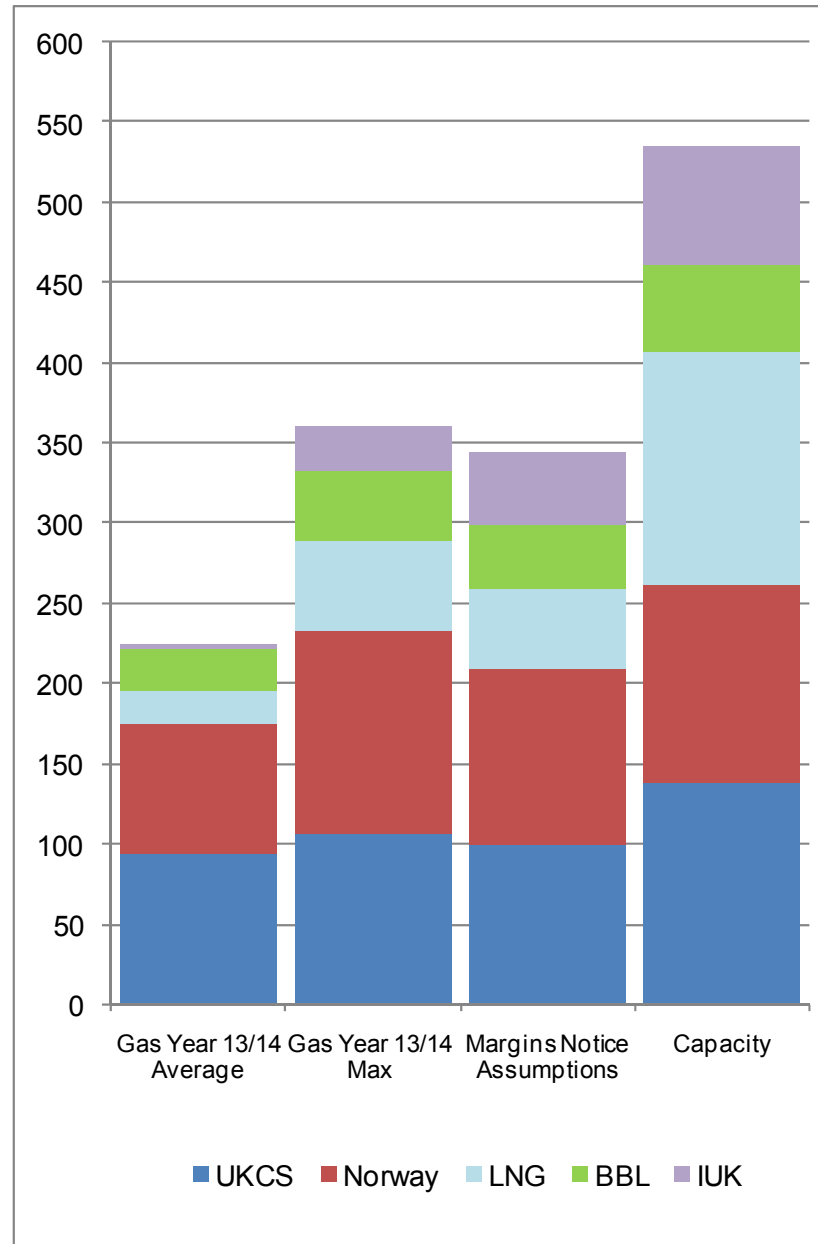
# Gas Supply Breakdown

1<sup>st</sup> October 2013 to 1<sup>st</sup> June 2014 vs Previous Year



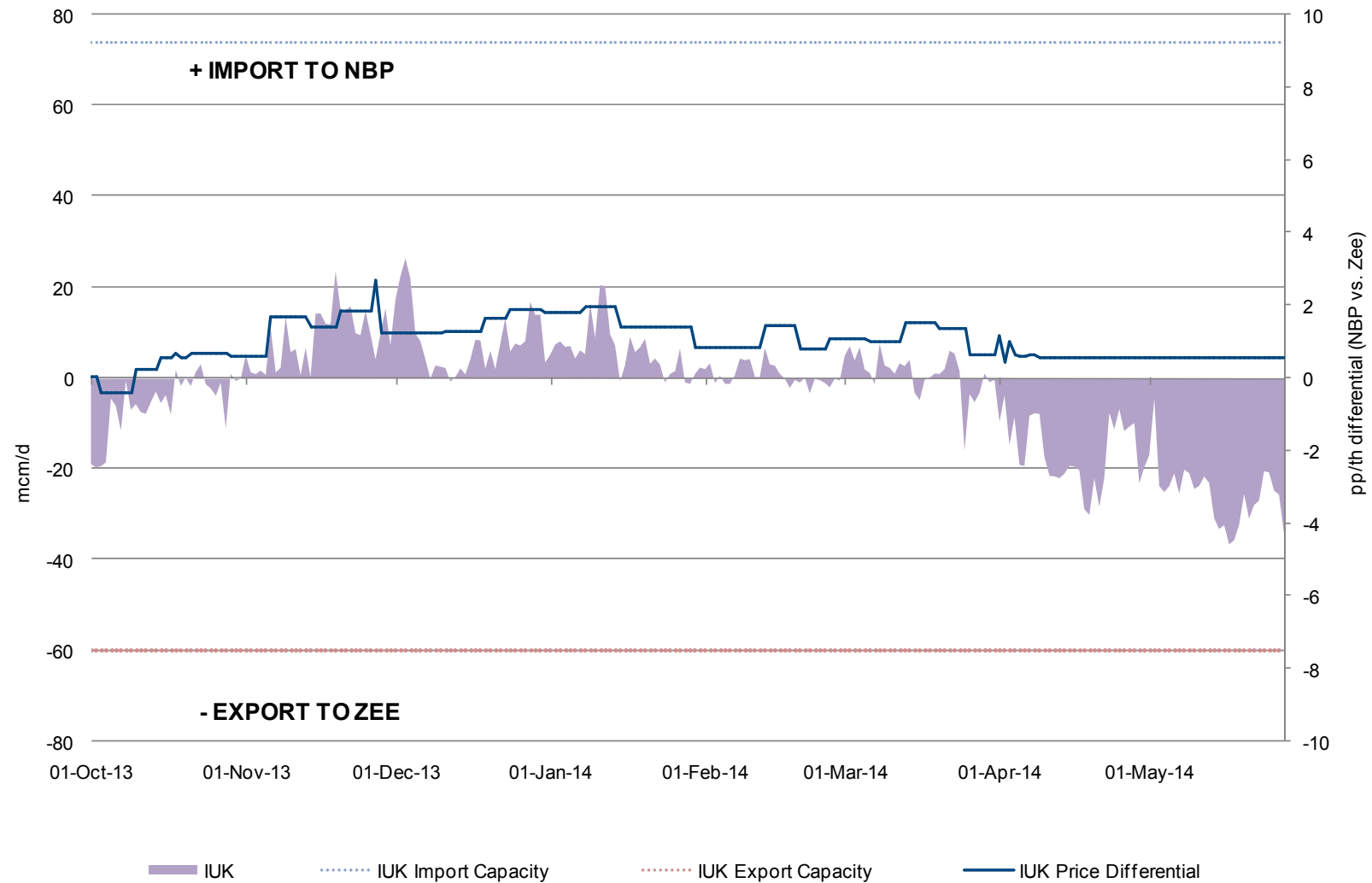
# NSS [Non-Storage Supply]

1<sup>st</sup> October 2013 to 1<sup>st</sup> June 2014



# IUK Flows Vs NBP & ZEE Price Differential

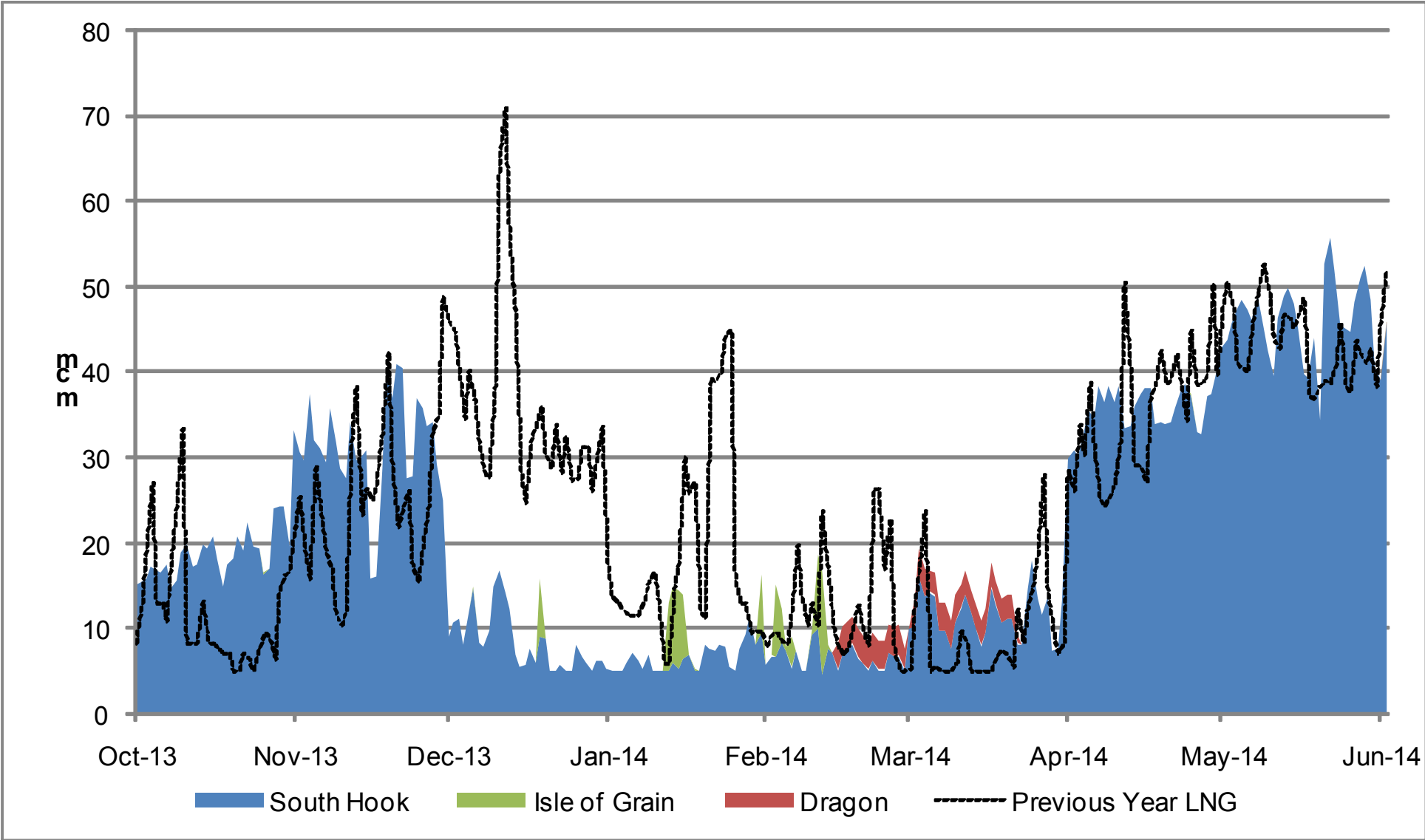
1<sup>st</sup> October 2013 to 28<sup>th</sup> May 2014





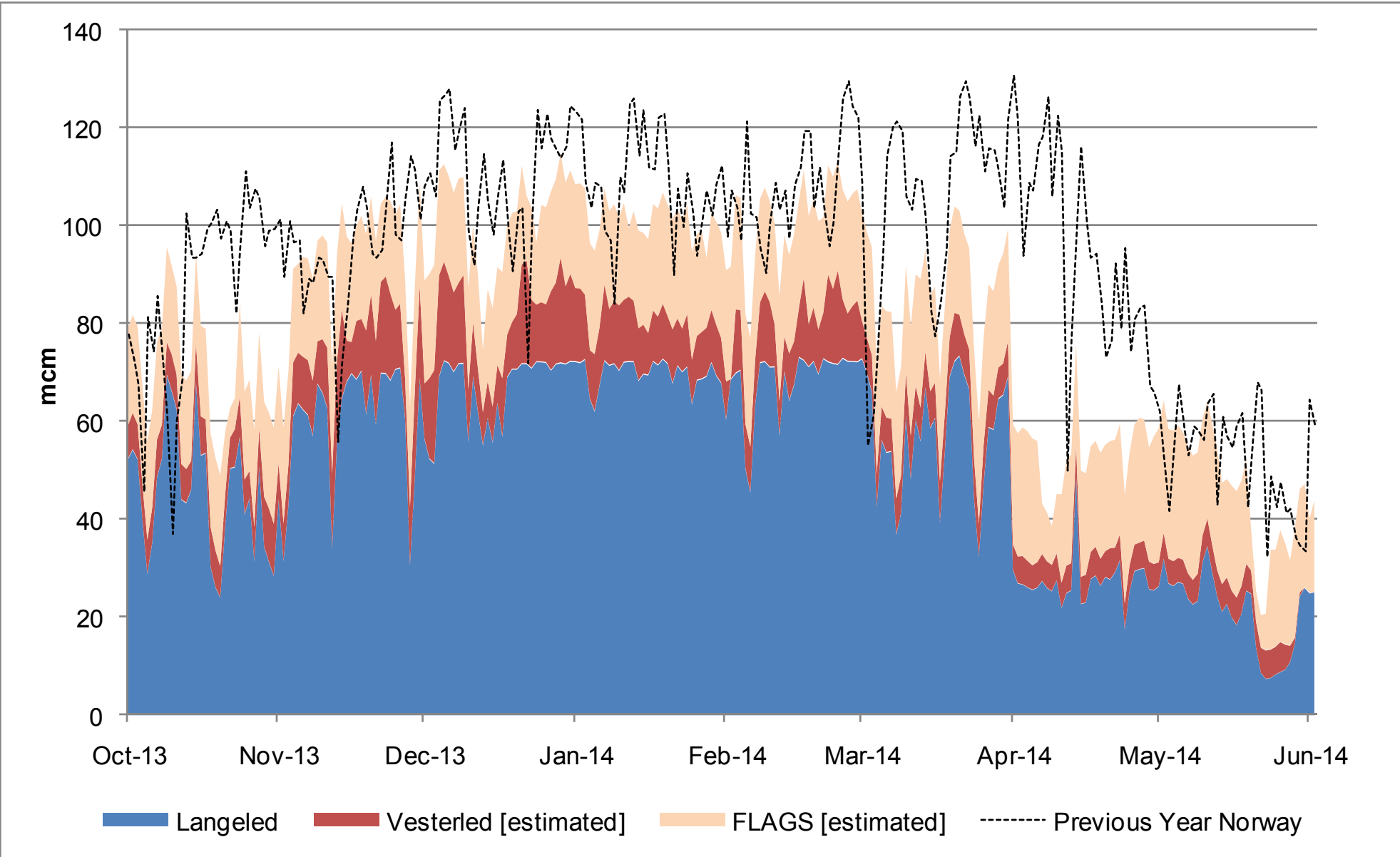
# LNG Terminal Flows

1st October 2013 to 2nd June 2014



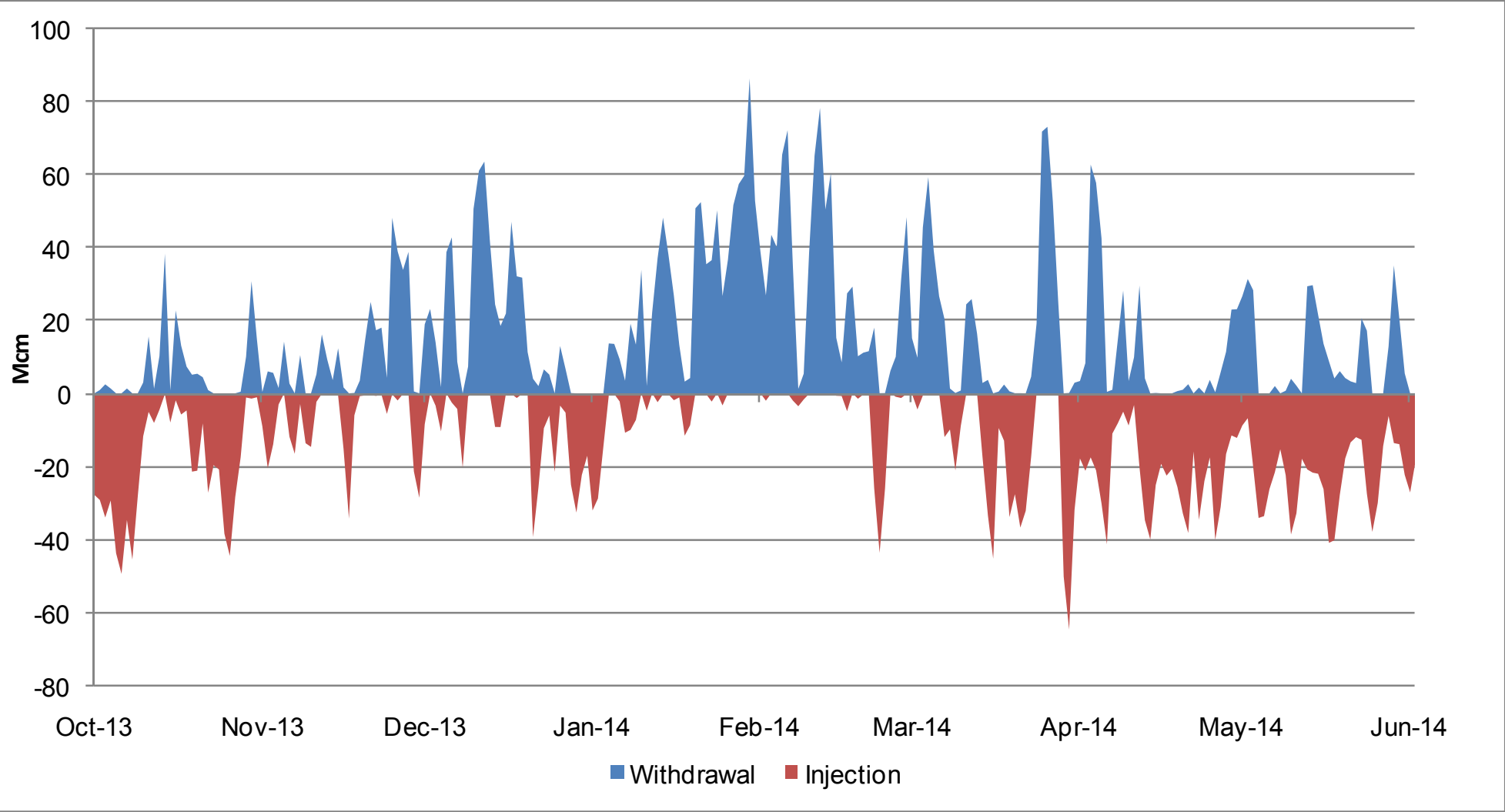
# Norway Flows

1<sup>st</sup> October 2013 to 2<sup>nd</sup> June 2014



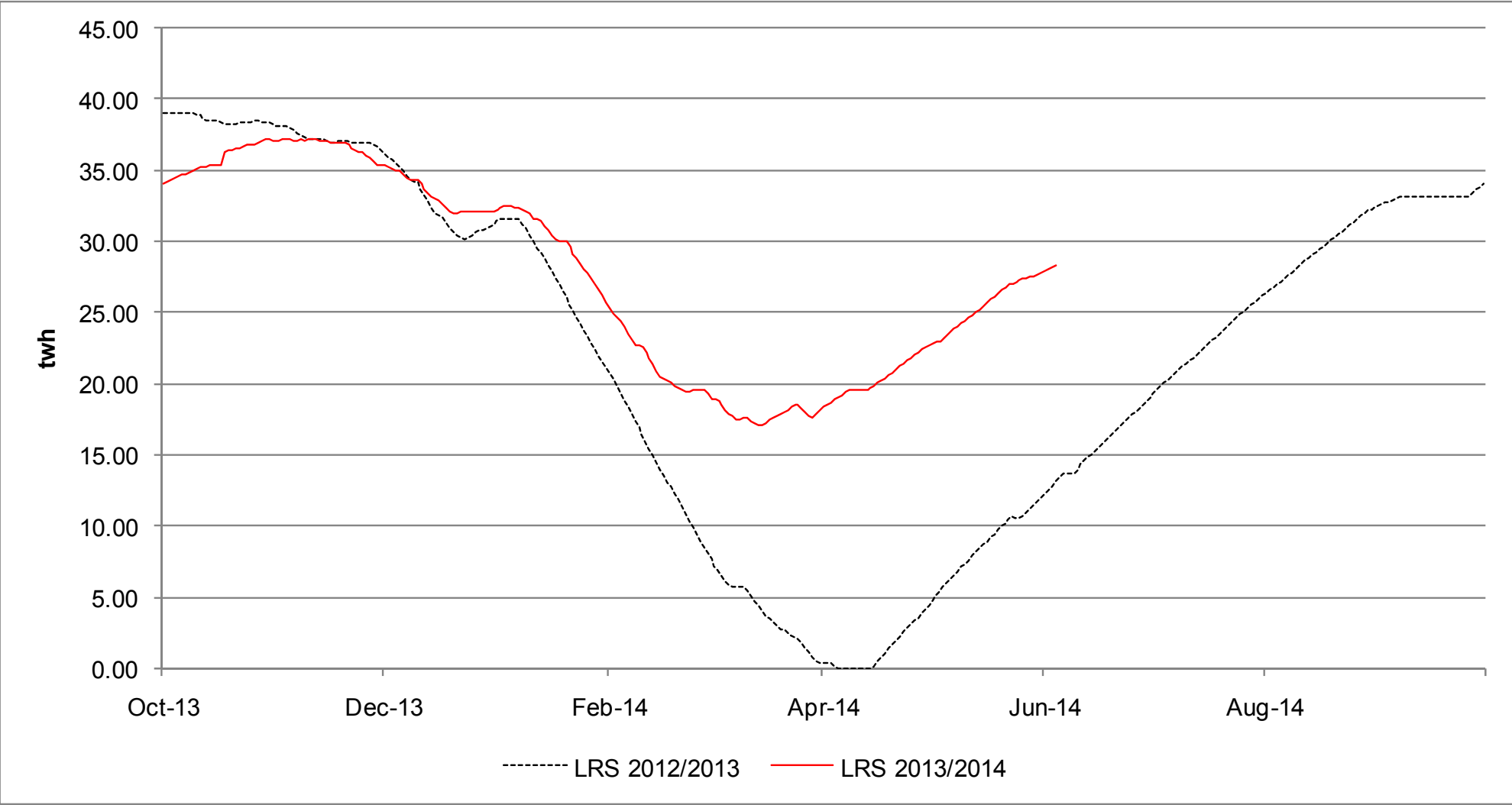
# Storage Withdrawal Vs Injection

1<sup>st</sup> October 2013 to 2<sup>nd</sup> June 2014



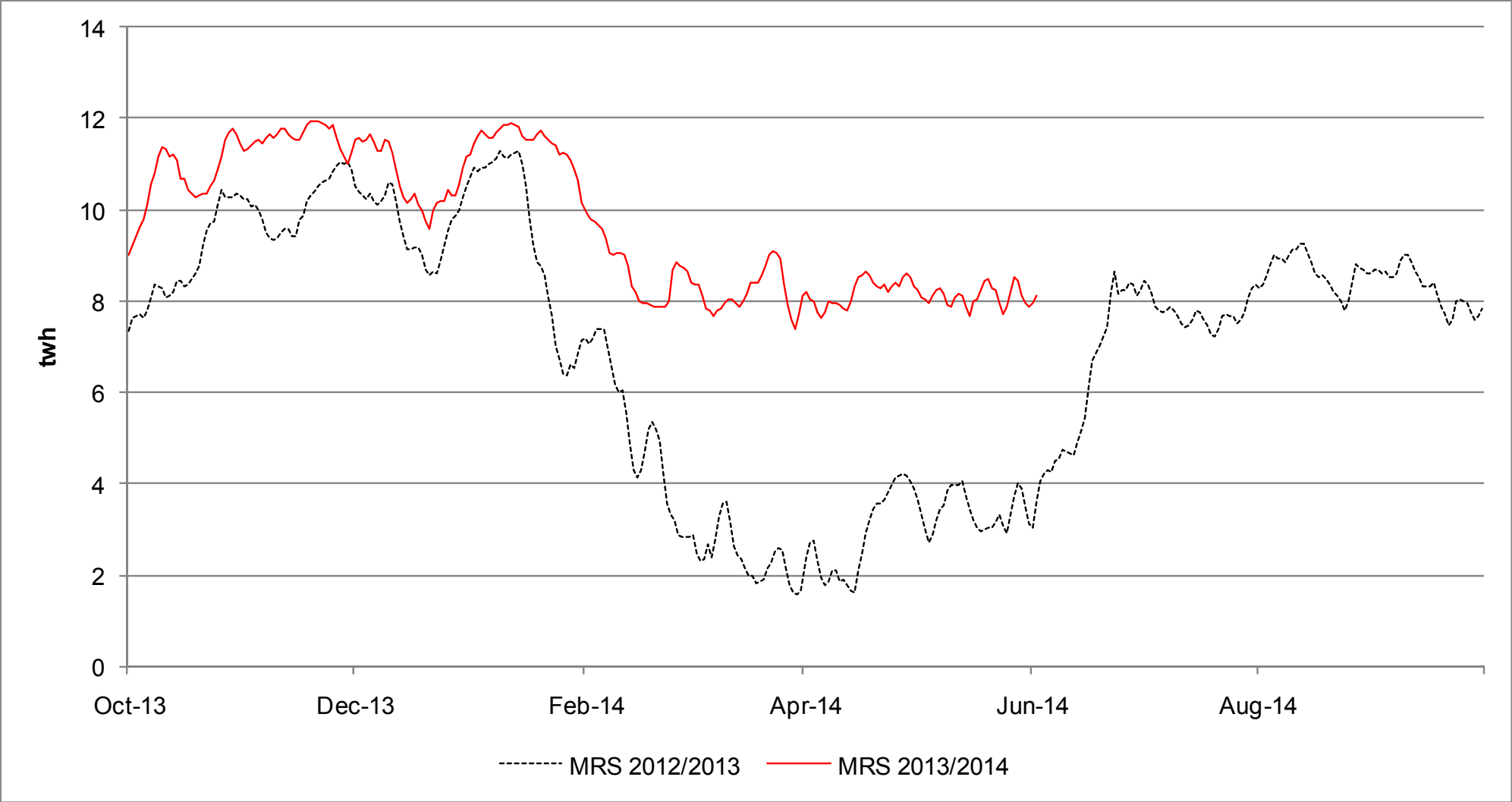
# Long Range Storage Stocks [LRS]

1<sup>st</sup> Oct 2013 to 2<sup>nd</sup> June 2014 Vs Previous Years



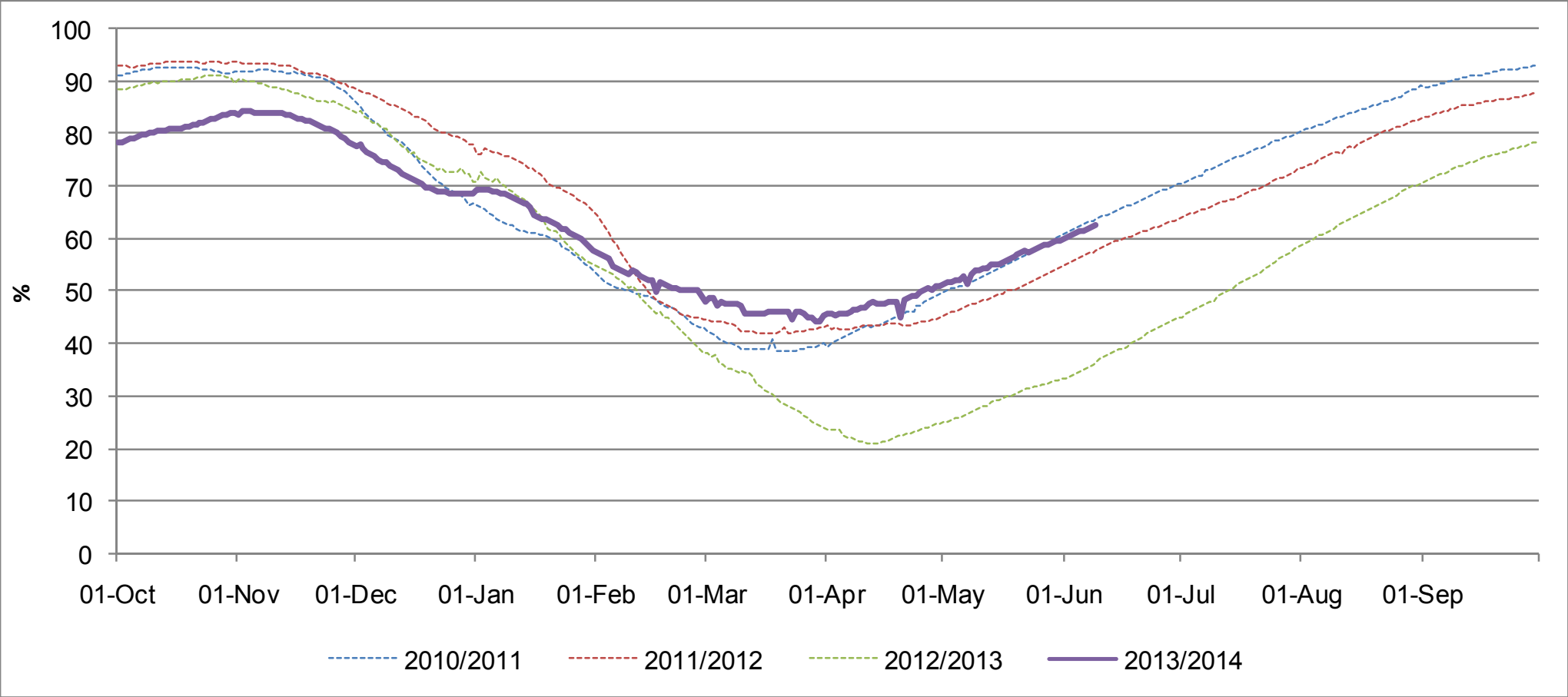
# Medium Range Storage Stocks [MRS]

1<sup>st</sup> Oct 2013 to 2<sup>nd</sup> June 2014 Vs Previous Years



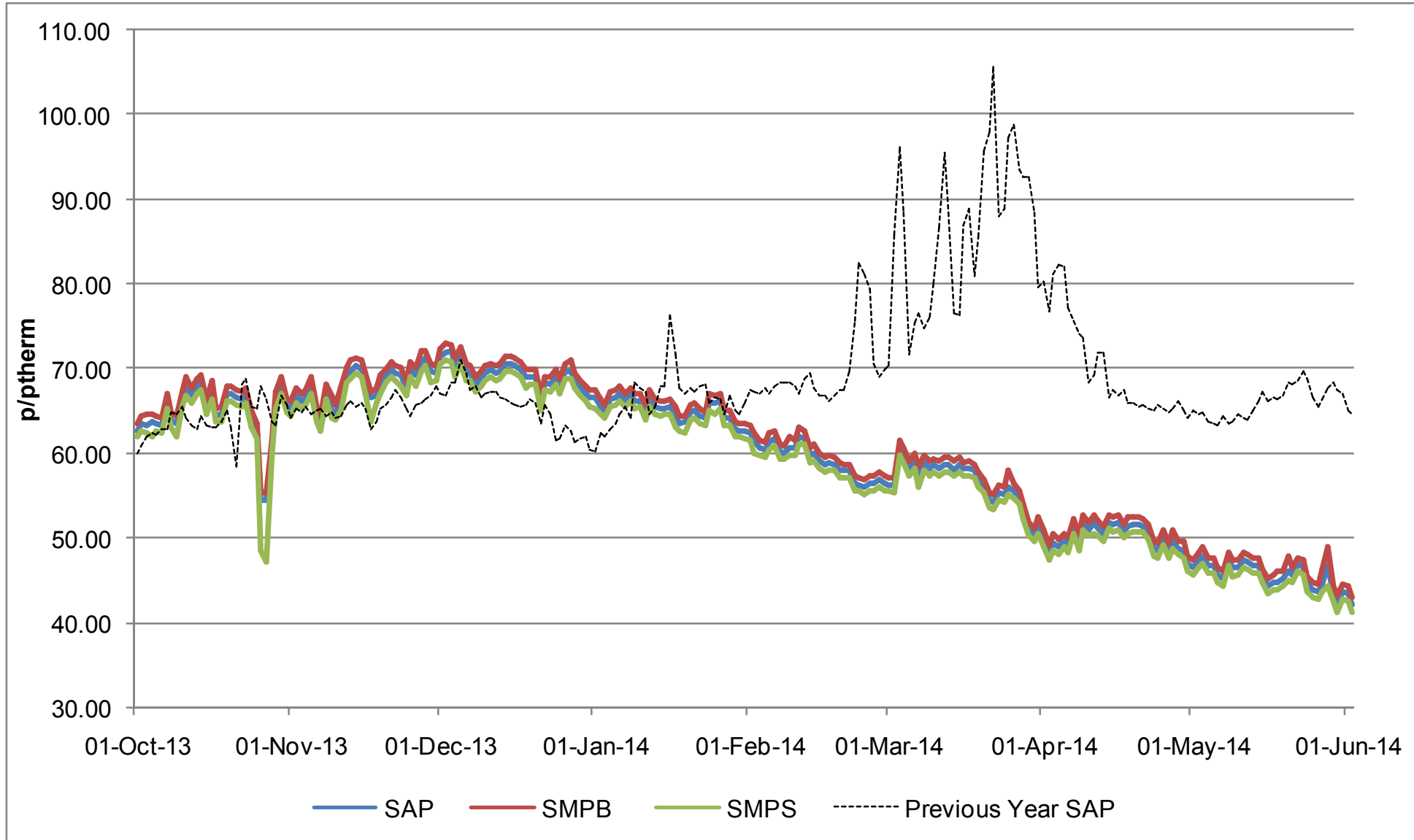
# Combined EU Storage Stocks [% Full]

From 1<sup>st</sup> Oct 2013 to 9<sup>th</sup> June 2014 Vs Previous Years



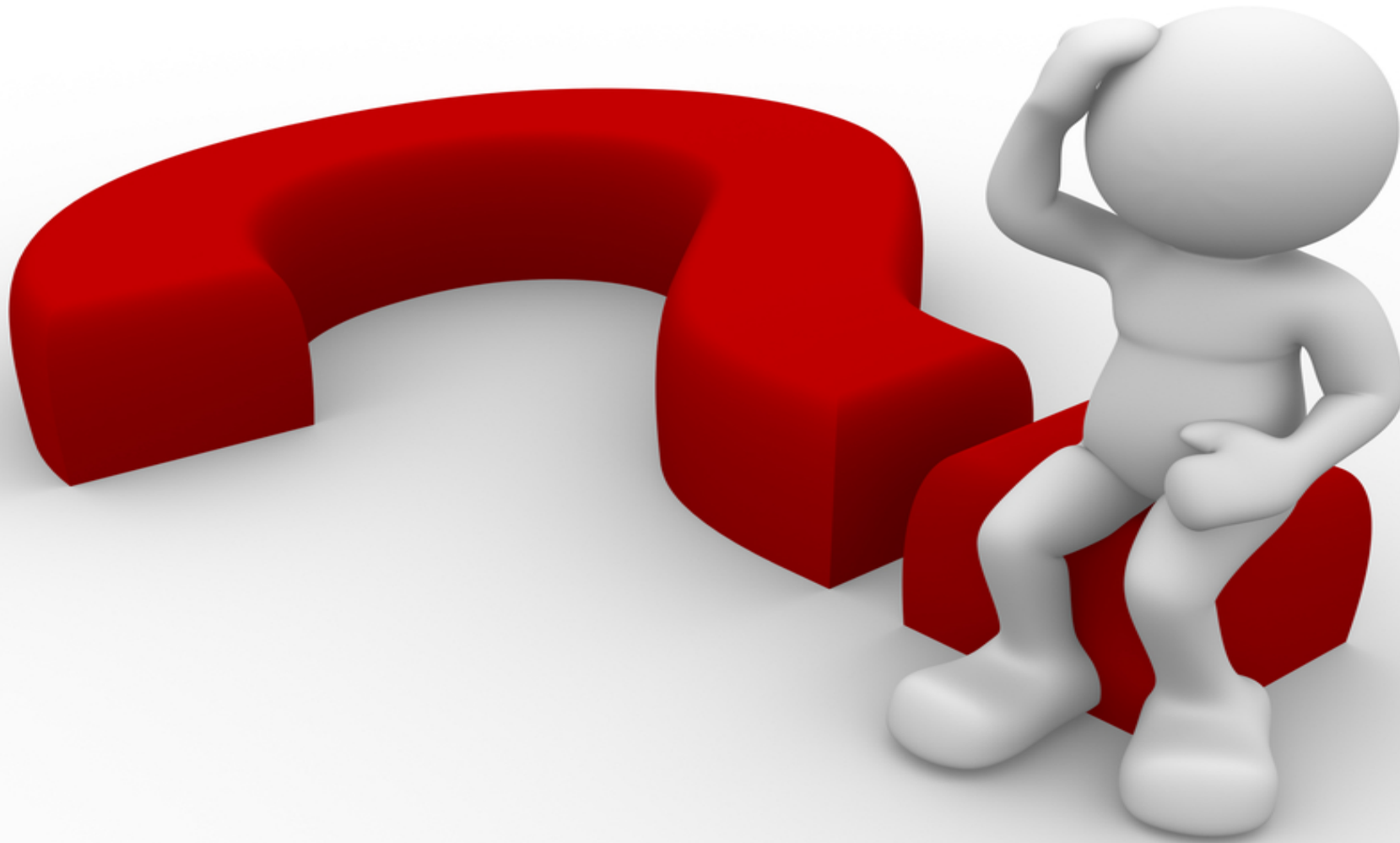
# UK Gas Prices

1<sup>st</sup> Oct 2013 to 2<sup>nd</sup> June 2014 Vs Previous Years



## What Operational Issues Affected Users?

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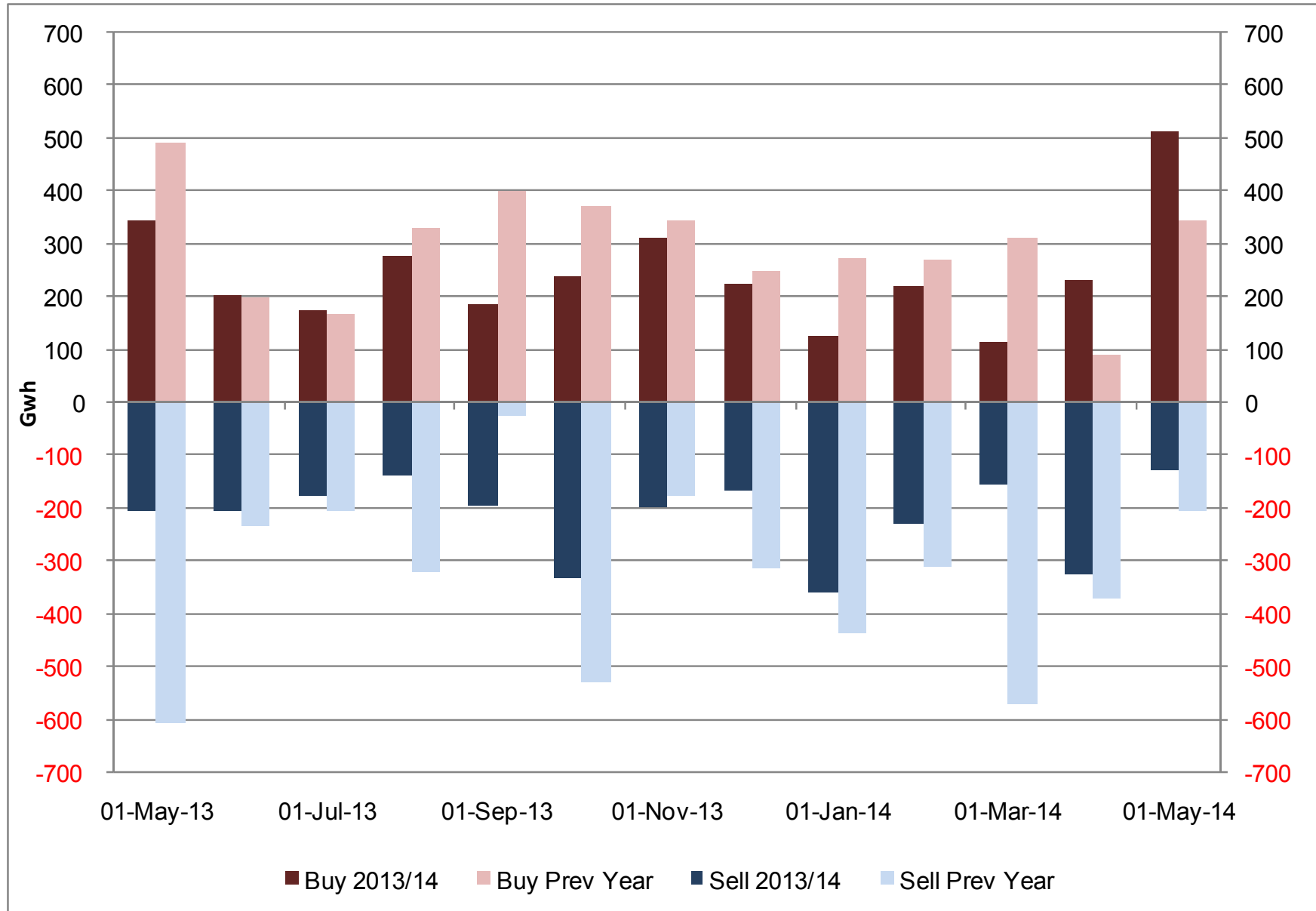
# Transporter Actions and Neutrality



- Energy Balancing
- Capacity

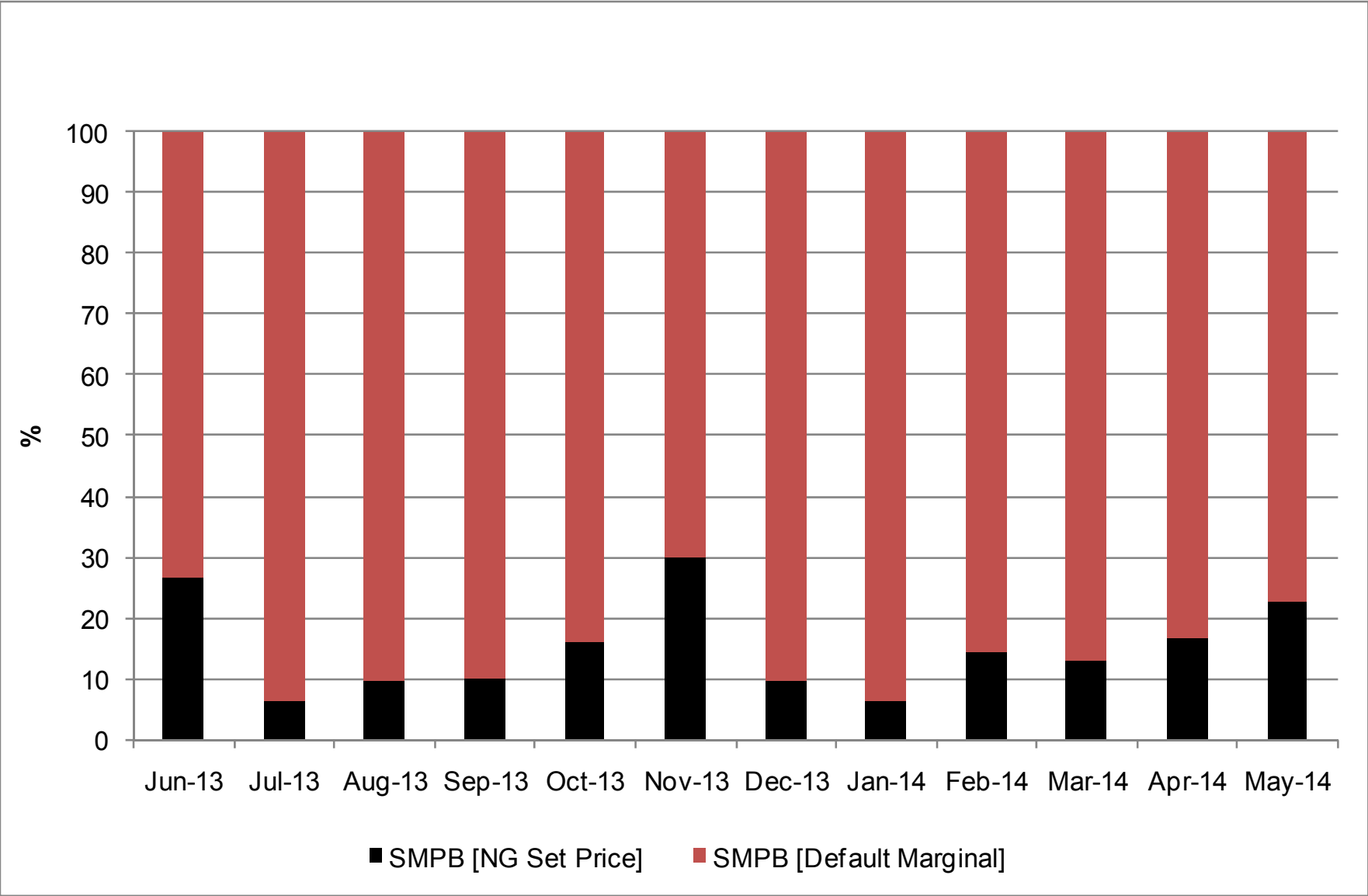
# Transporter Energy Traded on the OCM nationalgrid

NGG Monthly Buys and Sells  
 May 2013 to May 2014 Vs Previous Year



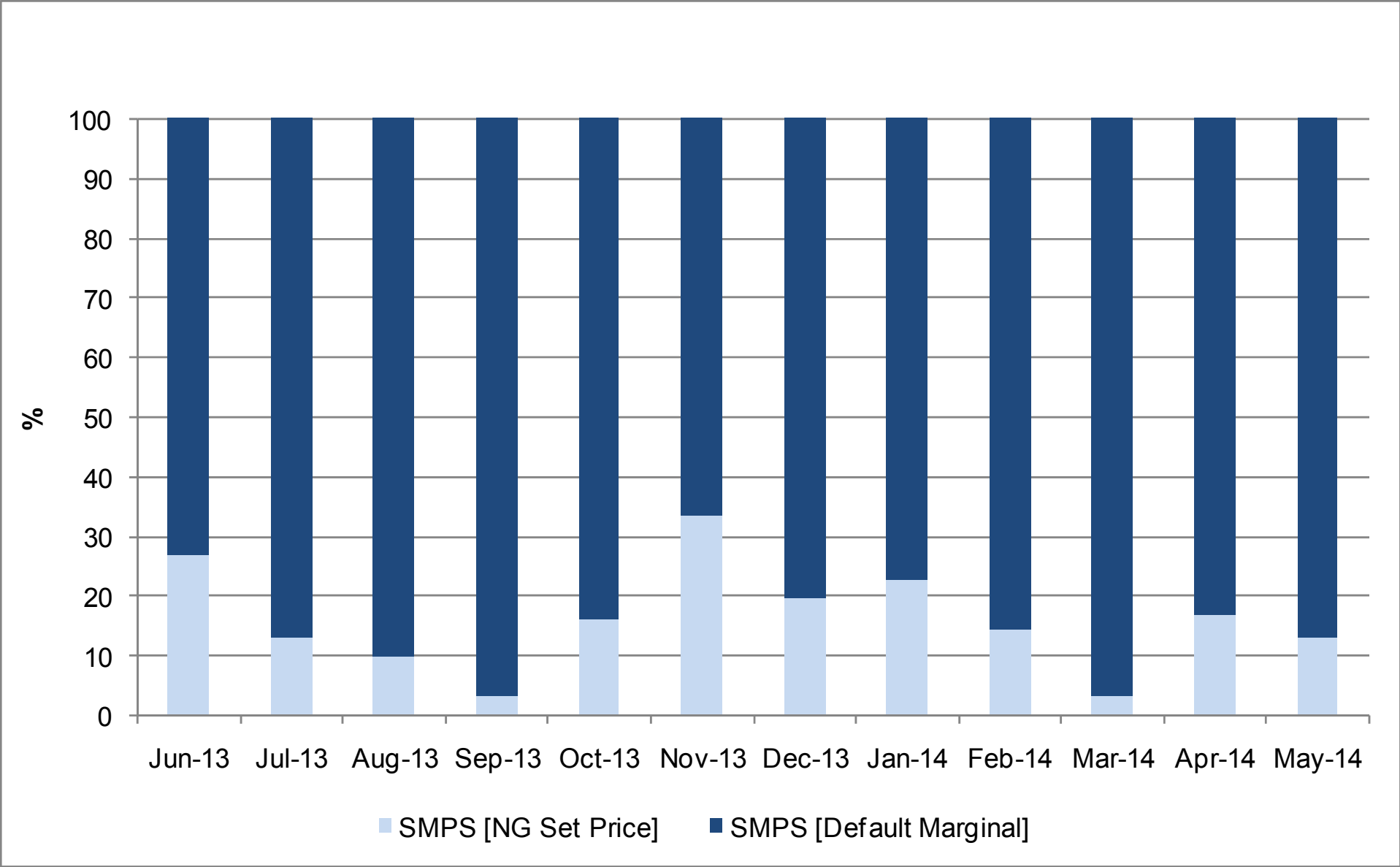
# Days of Default SMP Prices [SMPB]

From June 2013 to May 2014



# Days of Default SMP Prices [SMPS]

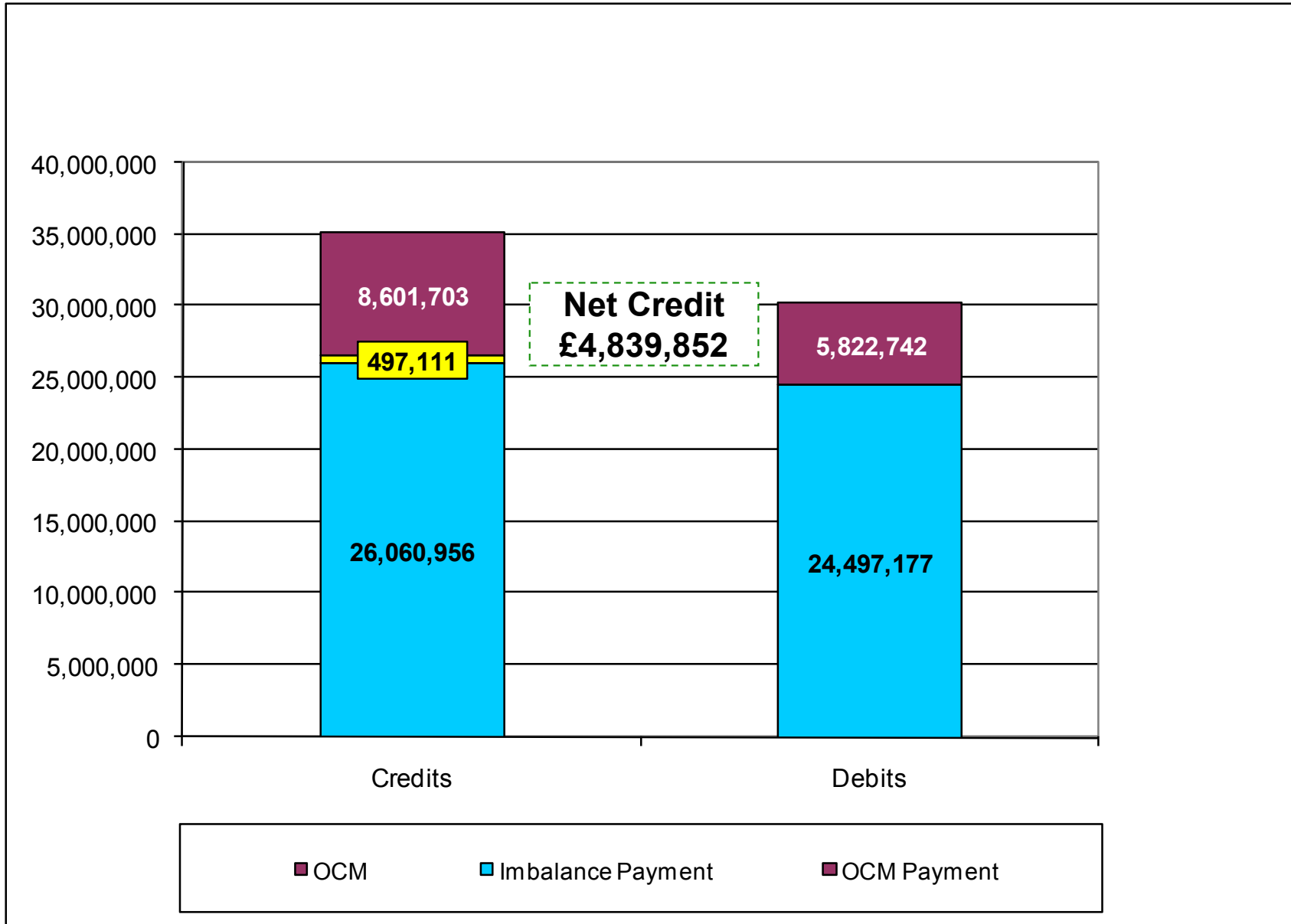
From June 2013 to May 2014



# Energy Balancing – Balancing Costs

Payments / Charges / Net Credit / Debit [Imbalance / Scheduling / OCM]

Mar - Apr 2014



# Energy Balancing – Balancing Costs

Mar - Apr 2014

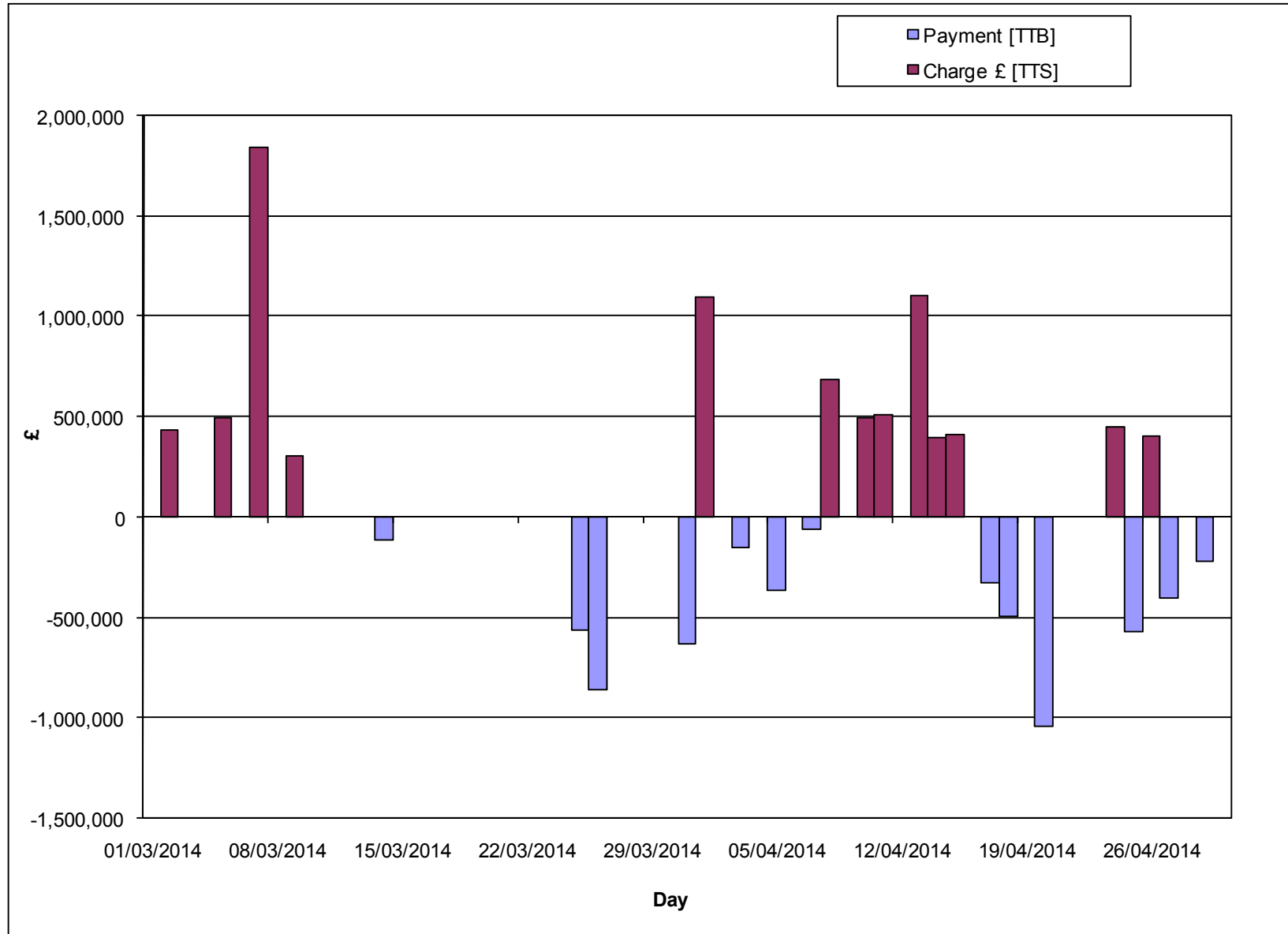
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|                        |                      | <b>Mar-14</b>    | <b>Apr-14</b>    |
|------------------------|----------------------|------------------|------------------|
| <b>Imbalance</b>       | Payment £ [DCS]      | -12,467,965      | -12,029,213      |
|                        | Charge £ [DCT]       | 13,706,098       | 12,354,857       |
| <b>Scheduling</b>      | Exit Charge £ [DXS]  | 10,184           | 7,153            |
|                        | Exit Charge £ [EXS]  | 66,993           | 55,565           |
|                        | Entry Charge £ [ESC] | 213,322          | 143,895          |
| <b>OCM</b>             | Payment £ [TTB]      | -2,177,418       | -3,645,324       |
|                        | Charge £ [TTS]       | 3,067,035        | 5,534,669        |
| <b>Balancing Costs</b> |                      | <b>2,418,249</b> | <b>2,421,602</b> |

# Energy Balancing – Balancing Costs

OCM Payments / Charges

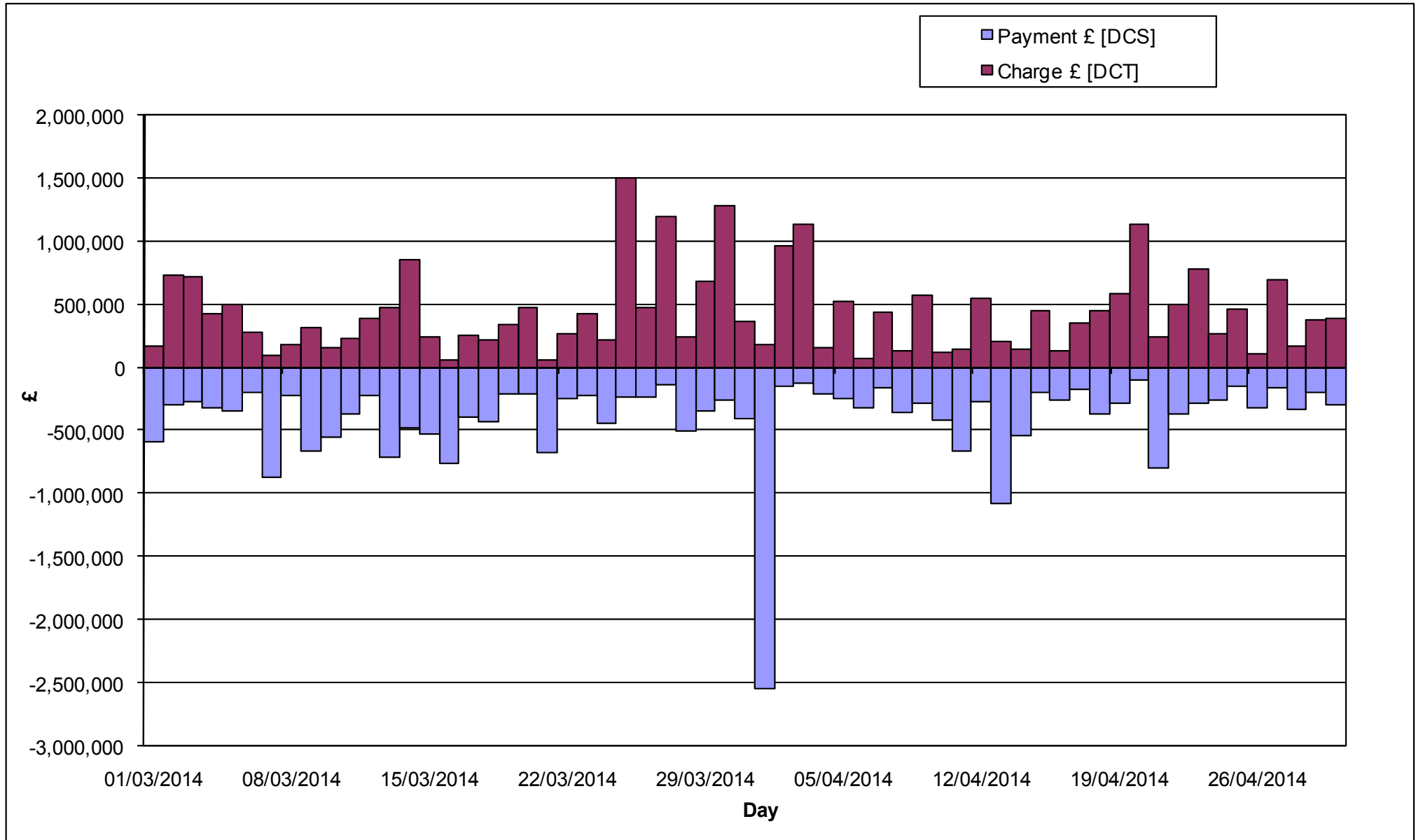
Mar - Apr 2014



# Energy Balancing – Balancing Costs

Imbalance Payments / Charges

Mar - Apr 2014

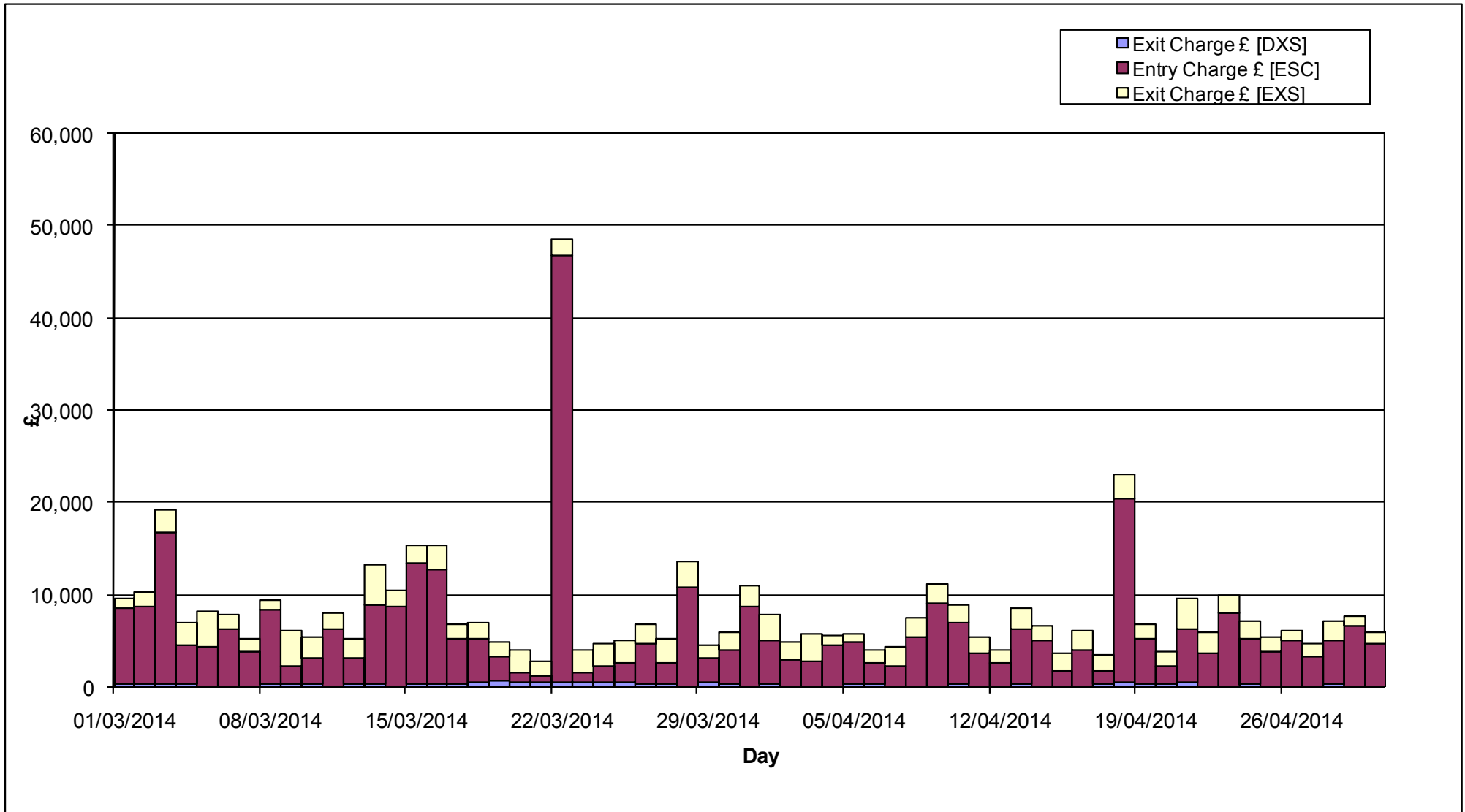




# Energy Balancing – Balancing Costs

Scheduling Charges

Mar – Apr 2014



# Capacity Neutrality

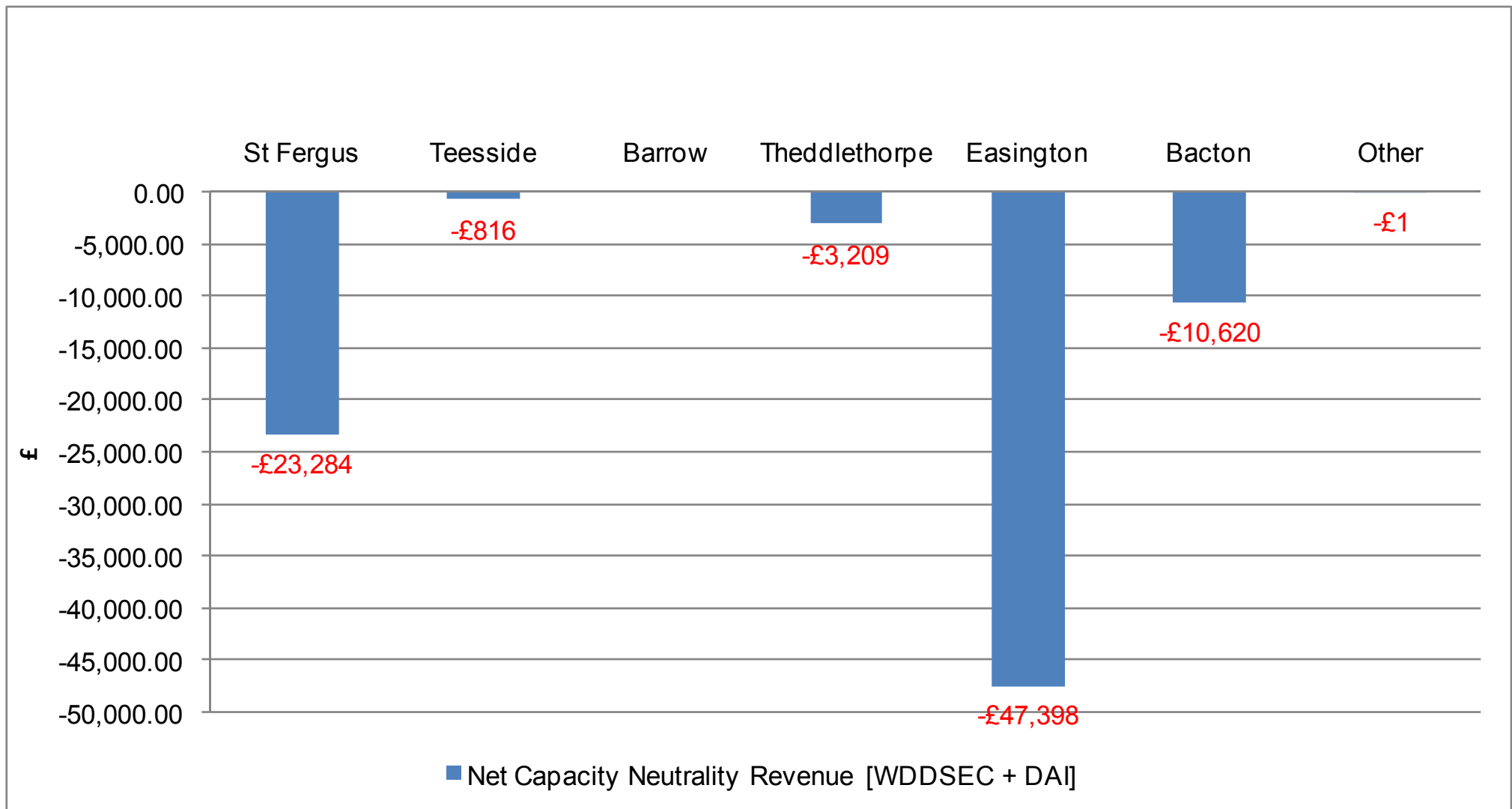
Net Cost / Revenue From 1<sup>st</sup> April 2014 to 31<sup>th</sup> May 2014

|                                                     | Revenue/Costs   |
|-----------------------------------------------------|-----------------|
| WDDSEC/DAI Entry Capacity Revenue                   | -£85,327        |
| Total Entry Constraint Management Operational Costs | £0              |
| Entry Capacity Overrun Revenue                      | -£5,048         |
| Non-Obligated Sales Revenue (Entry only)            | -£361           |
| Revenue from Locational Sells and PRI Charges       | £0              |
| <b>Net Revenue</b>                                  | <b>-£90,736</b> |

# Net Capacity Neutrality Revenue

[Daily Obligated Entry Capacity and Interruptible Entry Capacity: WDDSEC + DAI]

From 1<sup>st</sup> April 2014 to 31<sup>st</sup> May 2014



# Capacity Neutrality

Revenues from Entry Cap Overruns and Non-Obligated Sales, and Locational Sells and PRI Charges.

Totals From 1<sup>st</sup> April 2014 to 31<sup>st</sup> March 2015

| Month        | Entry Cap Overrun Revenue | Non-obligated sales revenue (entry) |
|--------------|---------------------------|-------------------------------------|
| Apr-14       | -£5,048                   | -£253                               |
| May-14       | -                         | -£108                               |
| Jun-14       | -                         | -                                   |
| Jul-14       | -                         | -                                   |
| Aug-14       | -                         | -                                   |
| Sep-14       | -                         | -                                   |
| Oct-14       | -                         | -                                   |
| Nov-14       | -                         | -                                   |
| Dec-14       | -                         | -                                   |
| Jan-15       | -                         | -                                   |
| Feb-15       | -                         | -                                   |
| Mar-15       | -                         | -                                   |
| <b>Total</b> | <b>-£5,048 (FY14-15)</b>  | <b>-£361(FY14-15)</b>               |

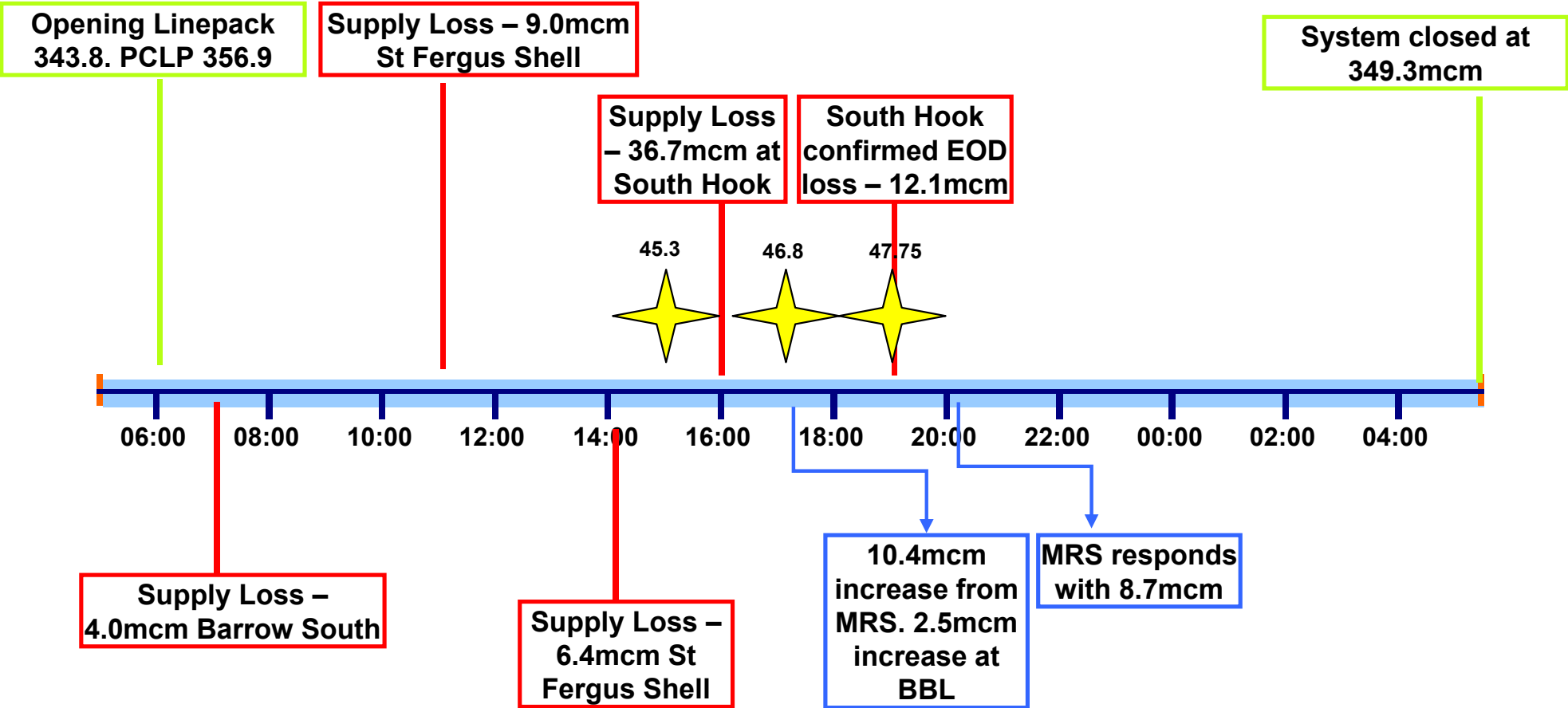
| Month        | Locational Sells and PRI charges revenue |
|--------------|------------------------------------------|
| Apr-14       | £0                                       |
| May-14       | £0                                       |
| Jun-14       | £0                                       |
| Jul-14       | £0                                       |
| Aug-14       | £0                                       |
| Sep-14       | £0                                       |
| Oct-14       | £0                                       |
| Nov-14       | £0                                       |
| Dec-14       | £0                                       |
| Jan-15       | £0                                       |
| Feb-15       | £0                                       |
| Mar-15       | £0                                       |
| <b>Total</b> | <b>£0 (FY14/15)</b>                      |

# Gas Day 20th May – Supply Loss

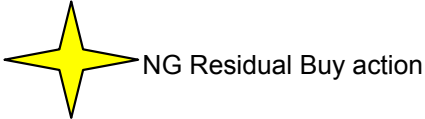


**Operational Performance**  
**NTS Optimisation**

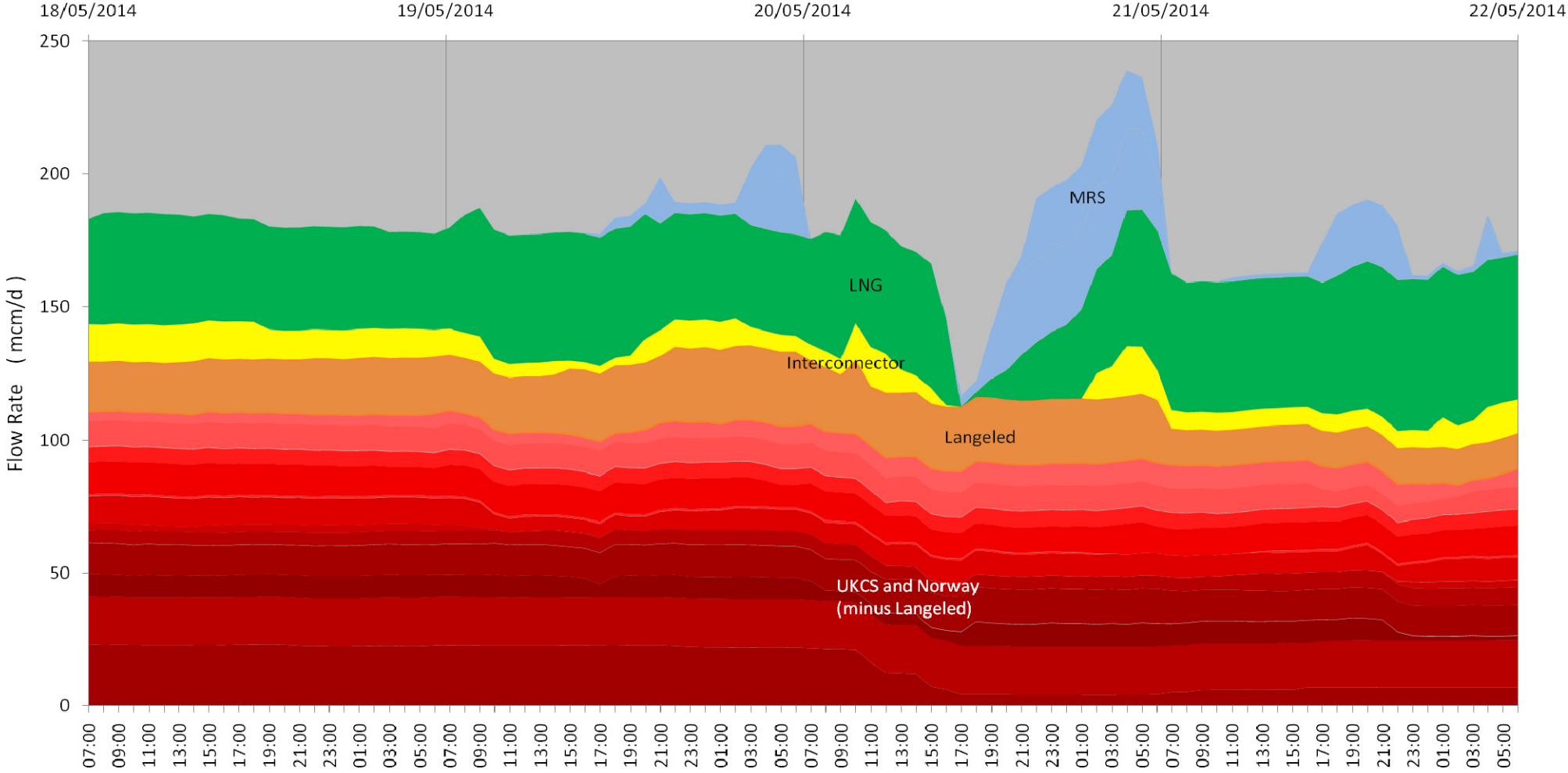
# Gas Day: 20<sup>th</sup> May 2014 Timeline



46.8 SMPB

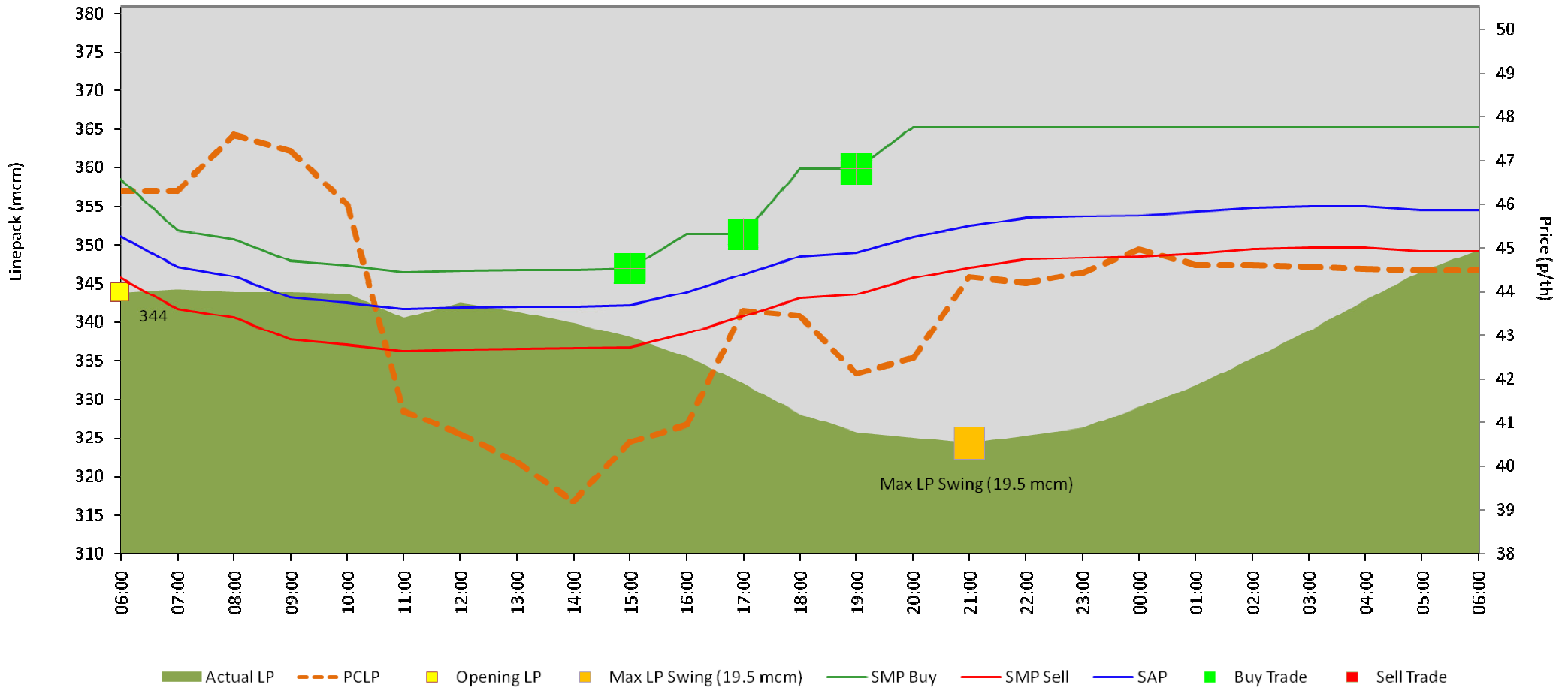


# Supply Loss and Response



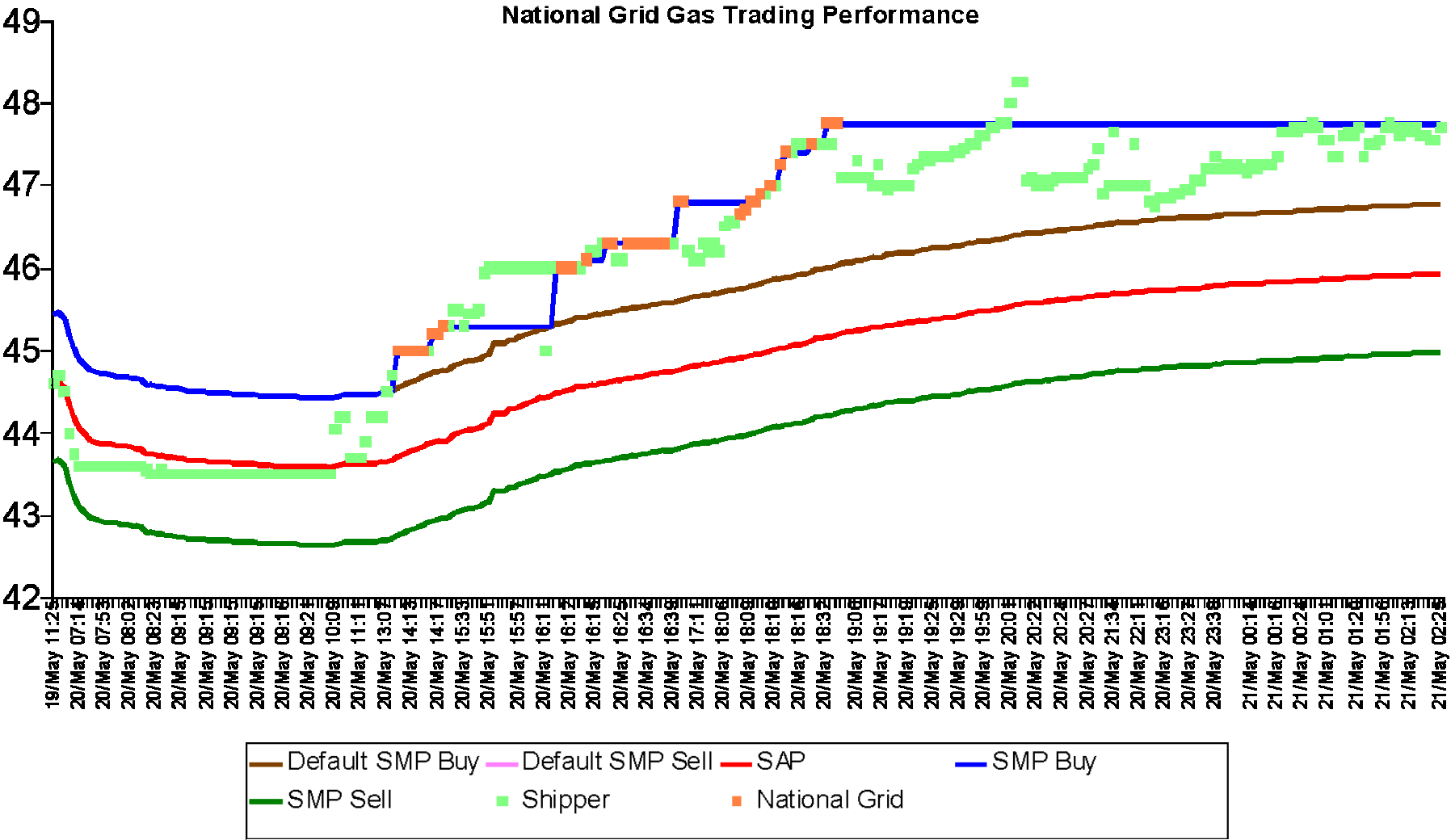
# Linepack

Linepack, Price & Residual Actions: 20th May 2014





# OCM Trading

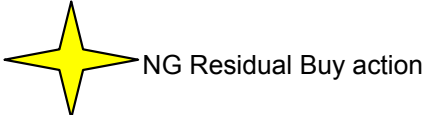
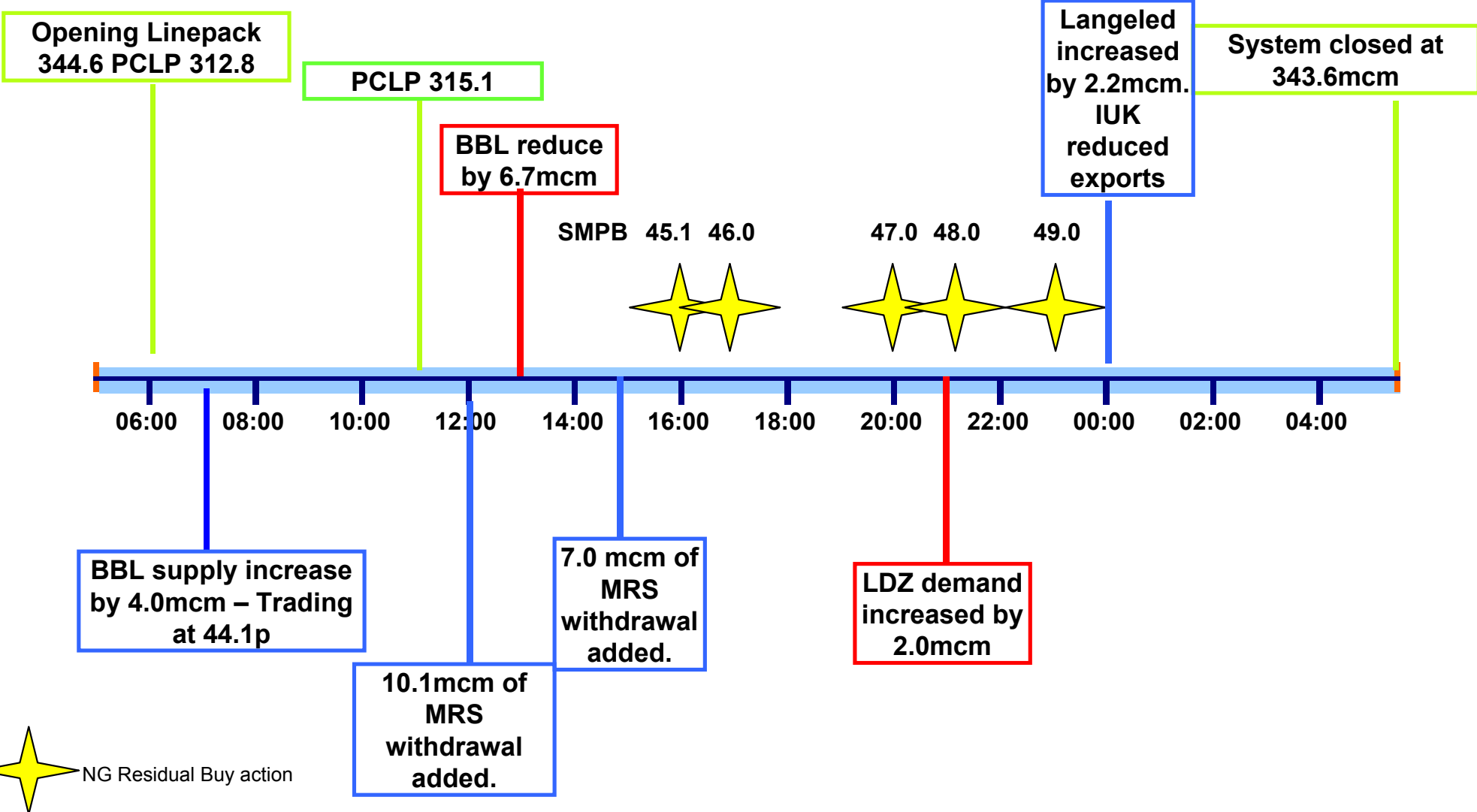


# Gas Day 28th May – Significant Shortfall



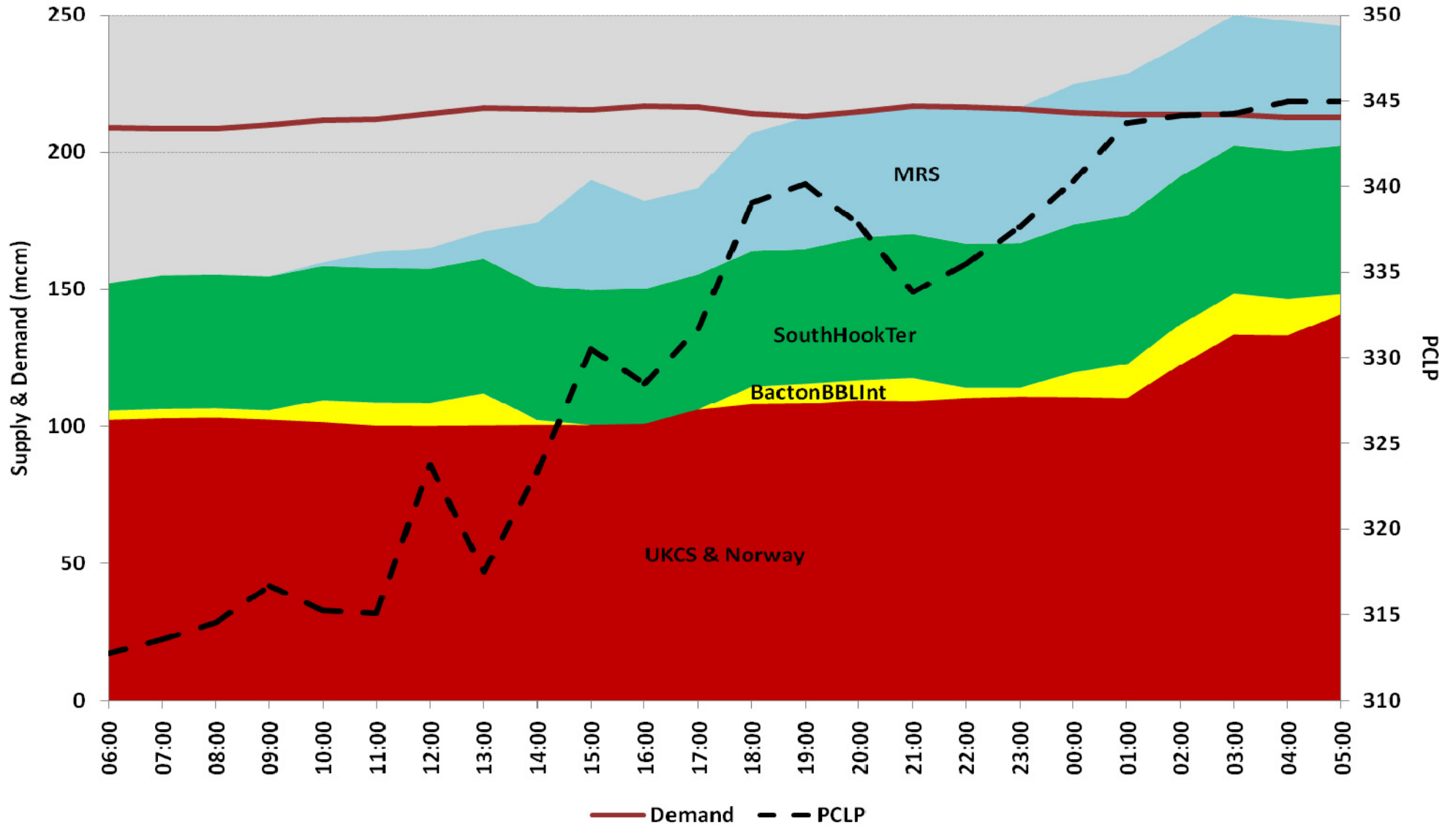
**Operational Performance**  
**NTS Optimisation**

# Gas Day: 28<sup>th</sup> May 2014 Timeline



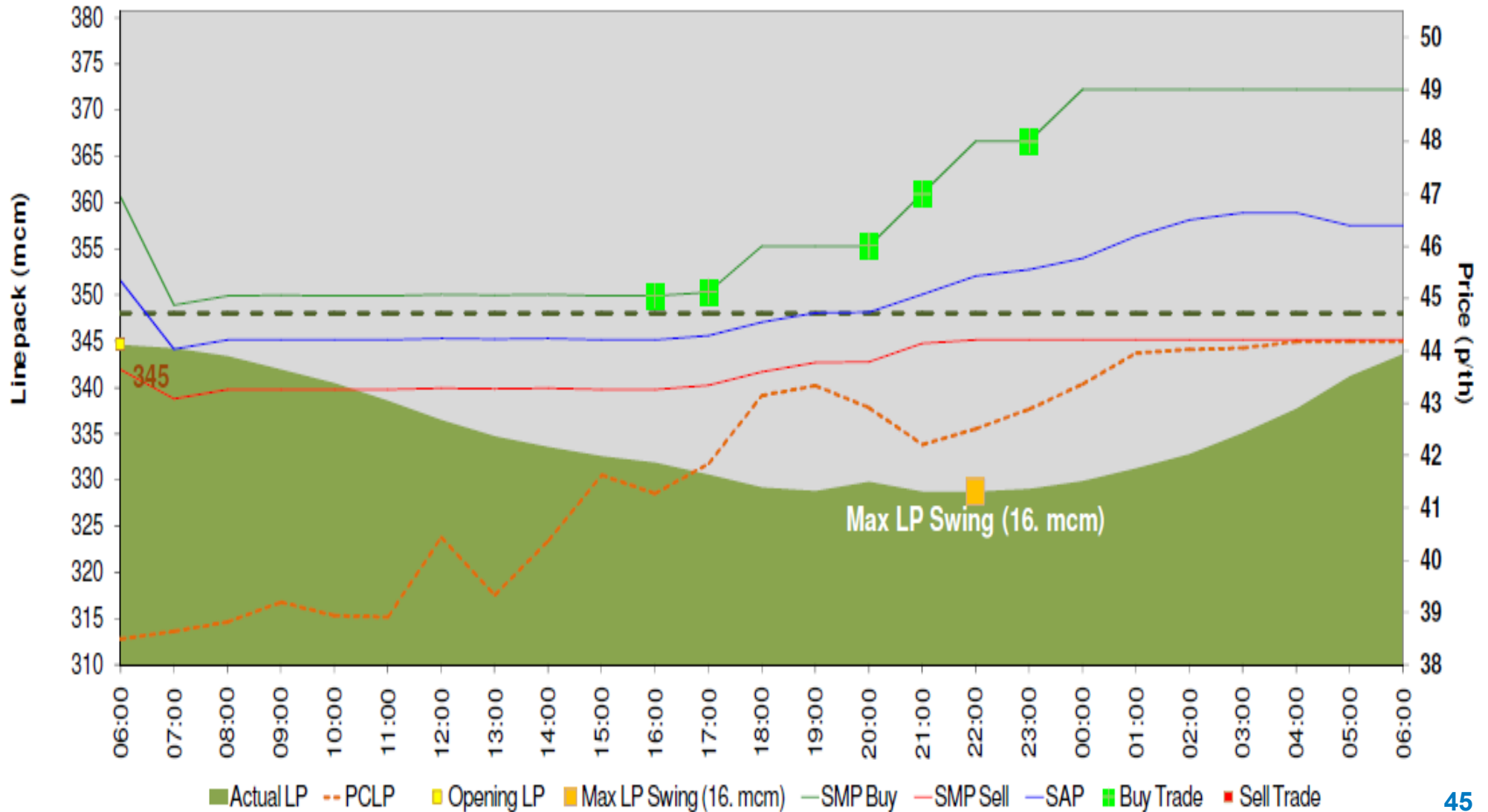
# Supply vs Demand

Supply vs Demand - 28th May 2014



# Linepack

Linepack, Price & Residual Actions: 28-May-14



# Customer Outputs (April & May 2014)

|                                        |                                               |                                                |
|----------------------------------------|-----------------------------------------------|------------------------------------------------|
| Balancing Actions                      | Traded on 35 days                             | 22 Buy / 13 Sells                              |
| Capacity Release                       | All obligations met                           | £199,587 worth of non-obligated capacity sales |
| Capacity Constraints                   | None                                          | No Scalebacks or Buy Backs                     |
| Pressure Obligations                   | 99.994% achieved                              | 27 Breaches of Agreed / Assured Pressures      |
| Maintenance                            | 41 Non Routine Operations completed           | 100% successful                                |
| Nominations                            | 100,984 OPNs received<br>50,140 non-compliant | 10 OPNs rejected                               |
| Gas Quality Excursions                 | 186 actions taken                             | 1 TFA / Gas Quality Breach                     |
| Demand Forecasting                     | 8.2mcm average error                          | Target – 8.9mcm                                |
| Operating Margins                      | None                                          |                                                |
| Gas Deficit Warnings / Margins Notices | None                                          |                                                |