

Firm NTS Capacity Surrender

Process Overview

Overview

This process allows National Grid NTS to buy Firm NTS **Entry/Exit** (Flat) Capacity from NTS Users holding these rights. Firm NTS(Flat) Capacity Surrender (often referred to as Daily Capacity Buyback) is used for the management of a Physical NTS **Entry/Exit** Constraint risk. Note that firm capacity surrender is managed in **Gemini via the 'NTS Entry Capacity Firm Derived' product and the daily auction for Users to offer this capacity back is 'DBSEC (Daily Buyback System Entry Capacity)'**. For Gemini Exit via the **'NTS Exit Flat Capacity Firm Primary'** product and the daily auction for Users to offer this capacity back is referred to as **'DBNEX (Daily Buyback NTS Exit Capacity)'**.

A Firm Capacity Surrender offer will relate to a specific Gas Day only and can be posted at any time by Firm Capacity entitlement holders in the **Gemini/Gemini Exit systems** for any given Gas Day from 06:00 D-7 up until 02:00 on the Gas Day.

Where a specific Firm Capacity Shortfall has been identified, National Grid NTS may request **Firm Capacity Surrender** offers at **specific locations**, by sending an ANS message.

Offers will be assessed and allocated in relation to the NTS Constraint risk being managed. National Grid NTS can only accept Firm Capacity Surrender offers from 15:00 D-1 up until 02:00 D and will accept offers in line with the System Management Principles Statement.

Once a capacity surrender offer has been accepted and therefore allocated, Users must manage their own nominations in the Gemini system and revise physical flows accordingly in order to avoid any potential capacity overrun penalty charges.

Communications

National Grid NTS may request NTS Users to make Firm NTS Capacity Surrender Offers via ANS. For reference, the ANS message that will be issued is given below:

*National Grid is requesting **entry/exit capacity surrender offers at ASEP/NTS Exit Zone(s) (XX)**. This is for Gas Day **DDMMYY**.*

Once National Grid NTS has received and assessed any surrender offers, bids will be allocated accordingly and another ANS message will be issued **as** shown below to notify Users where **capacity** may have reduced:

*For Gas Day **(xx/xx/xx)**, National Grid has taken an **Entry/Exit Capacity surrender action at (*****)**. Please see **Gemini System for Details**.*

Process Summary

1. From 06:00 D-7 the 'DBSEC'/'DBNEX' auction windows are always open to capture requests (bids) for surrender of Firm NTS Capacity for a specific Gas Day D.

2. NTS Users can place surrender offers in the Gemini system by entering the offer details here:

Entry – Gemini - Deal - Capture – Create bids

Exit – Gemini Exit - Deal - Capture - Capture Requests

Note that for capacity surrender, when selecting the Product 'NTS ENTRY FIRM DERIVED' (Entry) Capacity, or 'NTS EXIT FLAT CAPACITY FIRM DERIVED' (Exit) must be selected.

3. Once National Grid NTS have reviewed the surrender offers and an allocation is made, an ANS message will be issued (as detailed above) to indicate that surrender offers have been accepted.

4. Details relating to individual NTS Users surrender offers and whether or not they have been accepted can be found in the following Gemini screens:

Entry: Gemini – Deal – Bid Capture Reports – Bid Information

Exit: Gemini Exit – Publish – Reports – MoS Reports – Post Allocation Information Reports

5. Details relating to all accepted and rejected surrender offers can be found in the following Gemini screens:

Entry: Gemini – Publish Reports – MoS Results

Exit: Gemini Exit - Publish - Reports- MOS Reports - Post Allocation Information Reports

6. Following the allocation of an NTS Exit User's surrender offer, the user's Firm NTS Exit (Flat) Capacity entitlements will be adjusted in line with the accepted offer and the revised entitlements for specific NTS Exit Points can be viewed here:

Entry: Gemini – Product – Entitlements – Net

Exit: Gemini Exit - Home - Publish - Reports - User Reports - Entitlement Report