

Charging Webinar Q&A

Question	Response
Will you cover IP sites too please?	Interconnection Points (IPs) are also included in these changes. The new charging arrangements apply to all points on the NTS. IPs can be treated the same as any other non-storage point when looking at the examples.
It was unclear from Ofgem's note following last NTSCMF if RIIO-2 reopeners and impact on NGGT's allowed revenue could feed into the RRC. What is NGGT's view?	<p>Reopeners will adjust revenues. Revenues are a direct input into the calculation of any year's charges. If any potential adjustment is dependent on the outcome of a reopener (i.e. that a value for this can only be included following decisions) then there will be a timing and revenue impact that will feed into charges as a result. This could result in a more sizable adjustment compared to a process whereby forecasting is permitted and reconciled through the reopener process.</p> <p>The precise timing of any adjustments and impacts on the charges would be dependent on the decision and the charge calculation and publication timeline.</p>
How will the process of booking Interruptible within-day capacities work?	There are no changes to the capacity processes as a result of these changes so this will continue to operate as before, with updated prices.
Is there any, perhaps, indicative timeline for the OCC mod?	Ofgem have not given a specific timeline for this however we expect the Impact Assessment should be published this year.
Could you please explain the pricing for long term and short capacity auctions? Are there discounts for the daily products (entry or exit)?	Pricing for long Term and short-term auctions will have reserve prices the same if they are for the same year (e.g. for Gas Year 20/21). This is because the multiplier to the annual price is 1 for all products. The payable prices for any capacity will be subject to the published prices for the year for which the capacity is for (plus any applicable auction premium – where the allocation was in excess of the reserve price in that auction).

	The only discounts universally available is for interruptible (Entry) and off-peak (Exit) capacity which is discounted by 10% from the firm price. All other products have the same payable price (unless there is any auction premium to apply).
Are you going to talk about the difference between reference prices and reserve prices at any point?	Reference prices are the base prices from which reserve prices are determined. An Annual Reference Price is calculated and from this, the other duration specific products are priced (Annual, Quarterly, etc). The Annual Reference Price can be referred to in p/kWh/annum and converted to the typical denomination National Grid publishes which is p/kWh/d. This p/kWh/d is then multiplied by any specific multiplier to determine the reserve prices. For GB, the multipliers are all 1 so all reserve prices (published in p/kWh/d) will be the same price.
when do you need to be balanced when it comes to Gas Flow and Capacity ? EOD? worth noting Ofgem said re: 072/A/B/C/D : For clarity implementation for October 2020 is not possible.	There are no changes to the balancing processes as a result of these changes so this will continue to operate as before. For UNC0728/A/B/C/D these changes have yet to be decided on by Ofgem and implementation will follow any positive decision.
Would like to see IP scenario please and any discount for IP sites for Long Term or Short Term capacity bookings	Interconnection Points (IPs) are also included in these changes. The new charging arrangements apply to all points on the NTS. IPs can be treated the same as any other non-storage point when looking at the examples.
I'm confused by the 1 month notice for the RRC. 678A legal text 3.3.3 states: (b) where it decides to make such revision, give notice (not less than two months before the first Day of the Revision Month, as provided in TPD Section B1.8.2(a)) - so I thought it was 2 months notice Maybe an example with a calculation of the total invoice would be helpful for each scenario	Two months will always be followed where possible to signal new or updated charges. In an exceptional circumstance, the Licence provides for the shorter timescale of one month. For updating the scenarios, this is helpful feedback and we can take this into account for updates to this material into the future.