

Work to date

Work to date – 4 areas

1. Congestion Management Procedures
 - Requirements are implemented
2. TSO detailed assessment of the EUNCs
 - Complete for CAM, BAL, Tariffs, Interoperability, NI Single code
 - Otherwise ongoing as proposals emerge from EU level
3. Ongoing input into the code development process.
Current priorities:
 - Interoperability Code (Comitology stage)
 - Draft EUNC on tariffs (code being finalised)
4. EUNC implementation at Interconnection Points
 - UR, CER, Ofgem
 - PTL, Gaslink, BGE(UK)/BGE(NI), National Grid

EUNC implementation at the IPs

- UR approach has been to maintain direct link to the NBP that NI currently has:
 - Moffat is the IP for EUNC implementation
 - PTL bundles capacity directly with NGG
 - Twynholm is not an IP
 - No impact on current operational arrangements for pipelines in Scotland
- NRAs have instructed the TSOs to implement two bundled products at Moffat - one product bundling exit from GB with entry in NI, the other bundling exit from GB with entry to ROI.

Entry tariffs

- Introduction of new entry capacity products requires new approach to charging to be developed for 2015
- Workstream covers:
 - Development of the approach to introduction of entry tariffs
 - Development of any licence changes needed
 - Develop tariff model
 - Calculation of tariffs required for 2015/16 gas year (summer of 2015)
 - Proposed timings set out in the workplan
- Context for this work:
 - Common tariff requirement in NI legislation
 - Current postalised charging structure
 - Draft EUNC on tariffs

Next steps - entry tariffs

- Draft EUNC on tariffs covers matters such as the cost allocation methodology between entry and exit points, calculation of the reserve prices for capacity products
- EUNC on tariffs does not need to be implemented for 2015 but mindful of developing rules when developing our approach
- UR developing an approach to introducing entry tariffs for consultation in August
- Industry workshop on tariffs in early September:
 - UR present proposals for discussion
 - Consider draft EUNC requirements in more detail

Summary next steps

Consultations to be published in August:

- TSOs consultations on draft Business Rules for:
 - Entry Capacity Transition
 - Entry Registration
- UR consultation on approach to introducing entry tariffs

Next industry workshops:

- Workshop on tariffs (early September)
- PRISMA workshop (date TBC)

Final Slide

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