

Offtake Code

Issues for consideration

Relationship between Offtake Code and NEXAs

- DN offtake points are an (important) subset of total offtake points from the NTS
- Issues are:
 1. Is there potential for discrimination between DN offtake points and NTS direct connect offtake points?
 2. Does this impact upon existing NEXA arrangements?
 3. What governance arrangements should be established for NEXAs and offtake code?

MDQ determination

- NGT proposal is:
 - to determine 5 year MDQs for each offtake point based on current planning processes
 - consistent with a given pressure for each offtake point
- Issues are:
 1. Is the planning process sufficiently robust to ensure non-discrimination in allocation of MDQs given inevitable tensions between NTS and DNs?
 2. Are there any other methods of establishing MDQs for each offtake point?

Diurnal storage

- NGT proposals are:
 - To give a commitment to volumes of diurnal storage over a 5 year horizon
 - To give “probable” and “possible” volumes that might be available over and above this
- Issues are:
 1. Is it possible to ensure diurnal storage is provided on a non-discriminatory basis?
 2. Should diurnal storage be priced?
 3. Should any pricing arrangements be between network operators alone or network owners and shippers

Operational flows

- NGT proposals are:
 - set the physical parameters which limit the rates of offtake
 - potential to deviate from these parameters within given notice periods
 - Potential for charging for these deviations
- Issues are:
 1. Is there potential for discrimination between IDNs, RDNs and NTS direct connect offtake points?
 2. Should these deviations be priced?

A large, central version of the ofgem logo is positioned in the middle of the slide. It features the word "ofgem" in white lowercase letters on a red rounded rectangle. The background of the slide is a collage of blue-toned images related to energy, including a power plug, a person at a computer, and a gas meter.

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