

This letter is addressed to gas transporters, gas shippers, gas suppliers and other interested parties

Promoting choice and value for all customers

Your Ref:

Our Ref: NTWK GDPC 31 Direct Dial: 020 7901 7046

Email: joanna.whittington@ofgem.gov.uk

Date: 18 June 2007

Dear Colleague

Final proposals on extended transitional NTS Exit capacity and interruption incentive and formal licence consultation under section 23 of the Gas Act 1986

- 1. On 10 May 2007 Ofgem published a consultation letter¹ on the NTS exit capacity and interruption incentive to apply to the Gas Distribution Networks for the 2010/11 gas year. In the consultation we set out our proposals to retain the scope and form of the incentive which applies to the transitional offtake period² (2008/09 - 2009/10), and to update the volume targets for flat and flexibility capacity to cover the extended transitional offtake period. This Final proposals letter summarises the responses to our May consultation, sets out the decisions we have reached in respect of the 2010/11 incentive, and includes a statutory consultation on the associated modifications to Special Condition E2B of the GDNs' gas transporters licences.
- 2. Subject to a cap and collar, the current incentive exposes the GDNs to 100% of any target cost over runs. The incentive cap is the minimum of 7.5% of the cost target or £5m, and the incentive collar is a maximum of 7.5% of the cost target or £5m. The GDNs also have an income adjusting event provision with a threshold of £1million. We continue to consider that these parameters would be appropriate for the 2010/11 incentive, and we continue to consider that it would be appropriate to update the

¹ NTS Exit capacity and interruption incentive for Gas Distribution Networks 2010/11, Ofgem, 10 May 2007

 $^{^{2}}$ When the Gas and Electricity Markets Authority $\,$ gave its consent to DN sales in January 2005, it included the introduction of reformed NTS offtake arrangements from September 2005 as a condition of its consent. In June 2005, in response to concerns about the practicality of the timetable, it was concluded that it would be appropriate to delay the introduction of the arrangements to allow for further consultation and to allow the new arrangements to be developed in parallel with the transmission price control review. This delay to the introduction of the NTS offtake arrangements necessitated the creation of a transitional regulatory framework, known as the 'transitional offtake arrangements'. The transitional arrangements were introduced to cover the GDNs offtake bookings for the period October 2008 to September 2010 after which it was anticipated that enduring offtake reform proposals would take effect.

- 2010/11 flat and flexibility capacity targets with flat and flexibility forecasts submitted by the GDNs to Ofgem as part of the GDPCR BPQ process.
- 3. The scope of the incentive currently covers bookings of NTS flat and flexibility exit capacity and any payments made to customers by the GDNs in respect of interruption. We continue to consider that it is appropriate for the incentive to cover bookings of NTS flat and flexibility exit capacity, but having considered the responses to our consultation, we intend to consider further whether interruption payments should be included in the incentive. Unlike exit capacity bookings, under the existing arrangements, the GDNs do not contract for interruption with three year lead times, so taking a final decision on this part of the incentive ahead of the GDNs July 2007 bookings of offtake capacity is not time critical. The GDNs interruption target is set to zero from 1 October 2008. We do not intend to amend this value at this stage, but we will consider further whether a change in approach is appropriate.

Summary of Responses

Incentive scope and form

Ofgem's Proposal

4. In our May consultation, for reasons of consistency, proportionality and timing, we proposed that the scope and form of the exit capacity and interruption incentive in place for the transitional offtake period, should be extended to cover the gas year 2010/11. We considered that it was appropriate for the GDNs to be incentivised to make efficient bookings of exit capacity in this period, but we did not consider that a significant review of the incentive would be an appropriate policy option. On 1 October 2011 the reformed interruption arrangements and the enduring NTS offtake arrangements³ will come into effect. A new set of capacity output incentives which take account of these industry changes will be put in place later this year as part of GDPCR Final Proposals. Our view was that it would not be appropriate to make significant changes to the 2010/11 incentive when the effect of any changes would be limited to one year.

Respondents' Views

- 5. Ofgem received one confidential and five non confidential responses to the May consultation. The five non confidential responses are available to view on the Networks Gas Distribution Other Work area of Ofgem's website at www.ofgem.gov.uk.
- 6. A majority of respondents agreed with Ofgem that in the context of enduring offtake arrangements and interruption reform taking effect from 1 October 2011, it would be appropriate to extend the scope and form of the transitional NTS exit capacity and interruption incentive to cover the gas year 2010/11.
- 7. All respondents agreed that it was appropriate for the GDNs to continue to be incentivised to make efficient bookings of flat and flexibility capacity in

³ On 30 April 2007 the Competition Commission received an application to appeal the Authority's decision to implement UNC 116V. Implementation of UNC 116V will be contingent on the outcome of this appeal process.

the lead up to the enduring offtake arrangements taking effect, but one respondent disagreed with Ofgem over the form of the incentive proposed. This respondent considered that the form of the incentive was not flexible enough to accommodate the effects that events beyond the GDNs control, such as unexpected demand growth or variations in the Calorific Value (CV) of gas, could have on the volume of exit capacity it was efficient for them to book. One other respondent agreed with this view, but acknowledged the effect that Ofgem's decision to set the Income Adjusting Event (IAE) threshold to £1m could have in offsetting this risk.

8. Two respondents disagreed with Ofgem's proposal to continue to set the interruption component of the incentive to zero. Both respondents considered that it was inappropriate to set an incentive which had only a downside risk and had no possibility of being outperformed by the GDN. One of the two respondents who took this view also considered that it was inappropriate for the interruption incentive to remain at zero for the gas years 2008/09 and 2009/10. This respondent considered that Ofgem's Final Proposals on transitional incentive schemes⁴ set the interruption component to zero on the understanding that it would be reviewed as part of the interruption reform project, and considered that it would now be appropriate to review the value that this incentive is set at.

Ofgem's Response

- 9. Ofgem considers that it is important that the GDNs are incentivised to make efficient bookings of NTS flat and flexibility capacity in the gas year 2010/11. We consider that the form of the incentive in place for the transitional offtake period, remains the appropriate form of incentive to cover the extended transitional offtake period, and propose to retain the same incentive parameters as currently set out in paragraph 8(5) of Special Condition E2B in each GDN's gas transporter licence.
- 10. We acknowledge the view that there are variables beyond the GDNs immediate control which can potentially impact on their flat and flexibility capacity bookings, but we continue to consider that this risk is manageable within the IAE provision. The likely impact that events potentially beyond the GDNs control could have on their exit capacity bookings was given full consideration at the time the transitional incentive was put in place and we do not consider that there are sufficient grounds to warrant further consideration of this issue at this stage. Following publication of the transitional incentive scheme final proposals, to reflect the possible increased incentive risk to the GDNs, in March 2006⁵ the IAE threshold for GDNs was reduced from £2million to £1million. We continue to consider that the IAE provision remains the appropriate way to accommodate unknown incentive risk and continue to consider that £1million remains the appropriate level for the IAE threshold to be set at.
- 11. From 1 October 2008 the interruption component of the transitional incentive is set to zero and we do not intend to alter this value for the 2010/11 gas year at this stage. On the evidence currently available, we do not consider that there are grounds for setting the interruption component of the incentive at a level greater than zero. In recent years

⁴ Final proposals on transitional incentive schemes and formal licence consultation under section 23 of the Gas Act 1986 and paragraph 3(a) of Standard Special Condition A2, Ofgem, November 2005

⁵ Open letter on Income Adjusting Event thresholds for gas distribution networks, Ofgem, March 2006

no single supply point has been interrupted for greater than 15 days in one year, and consequently the GDNs have not made any direct payments to customers in respect of interruption. Nonetheless it has been highlighted, that at the time the transitional incentive scheme was put in place, Ofgem set the interruption component of the incentive to zero on the proviso that this value would be reviewed as part of the interruption reform project. To ensure due process, and because it is not time critical for a final decision on the interruption incentive to be taken ahead of the GDNs exit capacity bookings in July 2007, we have decided to consider this issue further.

NTS exit capacity target volumes

Ofgem's Proposal

12. In our May consultation we highlighted that the 2010/11 gas year interacts with two price control formula years: the second six months of the formula year beginning 1 April 2010, and the first six months of the formula year beginning 1 April 2011. For the second six months of the formula year beginning 1 April 2010 we proposed to use the target volumes published in the GDNs' licences for the period 1 April to 30 September 2010 (period t=7 in the licence). For the first six months of the formula year beginning 1 April 2011 we proposed to adopt the volume forecasts submitted by the GDNs to Ofgem as part of the GDPCR process. We indicated that we had sense checked the GDNs' data against NTS LDZ growth forecasts published in National Grid Transmission's 2006 Ten Year Development Statement, and at an aggregate level, taking flat and flex together, the GDNs forecasts provided the lower target capacity volume requests.

Respondents' Views

- 13. A majority of respondents agreed with Ofgem's proposals for setting the GDNs NTS flat and flexibility exit capacity volume targets for the gas year 2010/11. One GDN commented that their current capacity forecasts differ slightly from the volumes submitted to Ofgem as part of the 2006 BPQ process, but that it was not unreasonable for Ofgem to use the last published estimates to set exit incentive targets. The only shipper to respond to the consultation also agreed that Ofgem's proposed approach for setting the incentive volume targets seemed reasonable. This respondent also commented on the variation in flexibility capacity requirements between the formula years 2010/11 and 2011/12, and requested that Ofgem comment on any underlying reasons for the changes. This respondent also considered that information regarding performance against target to date would be useful in judging the effectiveness of the incentives.
- 14. One respondent highlighted that for distribution networks with storage constraints, there is a very significant relationship between their flexibility capacity requirements and the treatment of their capital expenditure (capex) proposals in GDPCR. This respondent commented that if a proportion of their proposed capex programme is disallowed by Ofgem, then they would be required to make significant upward revisions to their flexibility capacity requirements. In this respondent's view the difficulty of setting an appropriate flexibility capacity volume target was exacerbated by the timing. The GDNs will not receive final confirmation of their capex

allowances until Final Proposals on GDPCR are published in November 2007, while Ofgem will be required to set a flexibility capacity incentive target in time for the GDNs bookings of NTS exit capacity in July 2007.

Ofgem's Response

- 15. Ofgem continues to consider that the methodology for setting flat and flexibility NTS exit capacity volume targets proposed in our May consultation would be the appropriate basis for updating the 2010/11 gas year incentive. This includes extending the volumes targets which currently apply to the first six months of the 2010/11 price control formula year to cover the full duration of that year, and setting new volume targets, based on the GDNs BPQ forecasts for 2011/12, to cover the first six months of the 2011/12 formula year. Consistent with this approach, we intend to modify Special Condition E2B of the GDNs' Gas Transporters licences in the manner set out in Attachment One of this letter.
- 16. In the responses to our May consultation one GDN highlighted the connection between their NTS flexibility capacity forecasts and the capex proposals they had submitted as part of GDPCR. This GDN considered that since Ofgem's Initial Proposals on GDPCR⁶ have proposed excluding much of their capex, their exit capacity flexibility forecasts would now be invalid. For this GDN, we have decided to set the exit capacity flexibility target at the level of their gas year 2009/10 flexibility capacity bookings. These volumes are higher than the BPQ proposals for this distribution network, but they equate to the amount reserved in July 2006 under the current incentive scheme, and in our view provide a reasonable proxy for this GDN's flexibility capacity needs in the absence of significant LTS investment.
- 17. With regard to the flexibility exit capacity volume targets published in table 1.1 of our May consultation, we recognise that for some exit zones there are significant differences between the formula years 2010/11 and 2011/12. Changes in demand for flexibility exit capacity can arise for a number of reasons: among other things, changes in the configuration of a distribution network can alter the exit zone within the network where flexibility is required; pipeline reinforcement projects can change a GDNs diurnal storage requirements; the loss of deep storage facilities can reduce a network's storage capability; and depending on how constrained a network is incremental demand growth can have an exponential effect on the need for flex. At an aggregate level we are satisfied that the GDNs flex capacity requirements are robust and credible and we note that overall the increase in flex capacity requirements between the two years is less than 10%.
- 18. The GDNs are scheduled to submit cost performance data for 2006/07 bookings of flat and flexibility capacity at the end of June this year. To date, the data we have on how the GDNs have performed against the incentive target is limited to the formula year 2005/06. For this year the exit capacity costs of only one GDN reached the incentive cap of 7.5% of the cost target. Based on this information we have reason to believe that the incentive is providing an appropriate framework for the GDNs to book their flat and flexibility requirements efficiently, but we acknowledge that

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⁶ Gas Distribution Price Control Review Initial Proposals Document, Ofgem, 125/07, 29 May 2007

it would not be appropriate to judge the incentive's effectiveness until data from more than one year becomes available.

Licence modification consultation under section 23 of the Gas Act

19. Consistent with the views expressed in this letter, we intend to modify the GDNs' Gas Transporters licences, including updating them with revised NTS flat and flexibility exit capacity volume targets to apply to the price control formula year 2011/12. Attachment One to this Final Proposals letter contains a licence modification consultation under section 23 of the Gas Act to this effect. Responses to this section 23 licence consultation and any queries relating to it must be addressed in writing to lewis.hodgart@ofgem.gov.uk (phone 0207 9017021) by 16 July 2007.

Yours sincerely

Joanna Whittington Director, Gas Distribution

Attachment One

To the Company Secretary:

- National Grid Gas plc Company No. 02006000 1-3 Strand London WC2N 5EH
- Northern Gas Networks Limited Company No. 05167070 1100 Century Way Thorpe Park Business Park Colton Leeds LS15 8TU
- Scotland Gas Networks plc; Company No. SC264065 Inveralmond House 200 Dunkeld Road Perth Perthshire PH1 3AQ
- Southern Gas Networks plc Company No. 05167021
 Leesons Hill St Mary Cray Orpington Kent BR5 2TN
- Wales & West Utilities Limited Company No. 05046971 Wales & West House Spooner Close Coedkernew Newport South Wales NP10 8FZ

Notice under section 23 of the Gas Act 1986

The Gas and Electricity Markets Authority (the "Authority") hereby gives notice pursuant to section 23 of the Gas Act 1986 (the "Act") as follows:

- 1. The Authority proposes to modify the conditions of the gas transporter licence (the "licence") granted or treated as granted under section 7 of the Act to each of the following gas distribution network gas transporters (each, the "GDN")
 - a. National Grid Gas plc;
 - b. Northern Gas Networks Limited:
 - c. Scotland Gas Networks plc;
 - d. Southern Gas Networks plc; and
 - e. Wales & West Utilities Limited,

as described below and set out in Appendices 1, 2, 3, 4 and 5 attached herewith by amending Part 1 b of Special Condition E2B (Restriction of revenue in respect of the Distribution Network transportation activity) by –

- i. adding in sub-paragraphs 8(5)(b)(ii) and 8(5)(b)(iii) respectively, columns and numerical values to the tables for each Distribution Network exit zone v in respect of formula year t=8 commencing 1 April 2011;
- ii. adding in sub-paragraphs 8(5)(b)(ii) and 8(5)(b)(iii) respectively, additional exit zone specific targets to the tables for NTS exit flat capacity (NTSBAExC) and NTS exit flow flexibility (NTSBAExFF) for each GDN for the formula year t=8 (2011/12), consistent with the numbers detailed in the Appendices;
- iii. altering in sub-paragraphs 8(5)(b)(ii) and 8(5)(b)(iii) respectively the date on and from which the values of each of the terms DNExCTC and DNExFFTC become zero, from 1 October 2010 to 1 October 2011;
- iv. altering in sub-paragraphs 8(5)(c)(ii) and 8(5)(c)(iii) respectively, the date on and from which the values of each of DNExCDC and DNExFFDC become zero from 1 October 2010 to 1 October 2011;
- v. altering sub-paragraph 8(6)(a) so that the income adjusting event threshold for the formula year t=7 commencing 1 April 2010 shall have the value £1,000,000, and for the formula year t=8 shall have the value of £1,500,000.
- 2. The reasons why the Authority proposes to make these licence modifications and their effect are mainly set out in various documents published on behalf of the Authority including
 - a. 'Final proposals on transitional incentive schemes and formal licence consultations under section 23 of the Gas Act 1986 and paragraph 3(a) of Standard Special Condition A2', Ofgem, November 2005, 252/05';
 - b. 'NTS Exit capacity and interruption incentive for Gas Distribution Networks 2010/11' letter dated 10 May 2007; and
 - c. 'Final proposals on extended transitional NTS Exit capacity and interruption incentive and formal licence consultation under section 23 of the Gas Act 1986' to which this notice is attached,

(all of which are available free of charge from the Ofgem library (telephone: 020 7901 7003) or on the Ofgem website (www.ofgem.gov.uk) and in summary, the reasons are to -

- i. incentivise better each GDN to efficiently minimise NTS exit capacity booking and interruption payments to customers on their own networks up to and including the 2010/11 gas year (1 October 30 September); and
- ii. set an NTS exit capacity incentive for the 2010/11 gas year which is compatible with the extension of the transitional offtake arrangements, and minimises industry change ahead of the introduction of NTS enduring offtake reform and GDN interruption reform scheduled to come into effect on 1 October 2011.
- 3. The effect of these licence modifications is to
 - a. Extend each GDN's existing exit capacity incentive by one year to cover the extended transitional offtake period covering the gas year 2010/11 by changing the date upon which the incentive target equals zero from 1 October 2010 to 1 October 2011 to allow the exit capacity volume targets currently in place for formula year t=7 to apply to the full 2010/11 price control formula year, and by introducing new exit capacity volume targets which will apply to the first six months of the formula year 2011/12.
 - b. Incentivise each GDN to book NTS exit capacity efficiently and to make tradeoffs between any substitutable capacity management options available to them in the gas year 2010/11.
- 4. Any representations or objections to any of the proposed licence modifications must be made in writing on or before 16 July 2007 to Lewis Hodgart, Office of Gas and Electricity Markets (Ofgem) 9 Millbank, London SW1P 3GE (0207 901 7021) or via email to Lewis.Hodgart@ofgem.gov.uk.

Joanna Whittington
Director, Gas Distribution

Duly authorised on behalf of the Gas and Electricity Markets Authority

18 June 2007

Appendix 1 to section 23 notice Proposal to modify Special Condition E2B of National Grid Gas Plc's gas transporters licence

Special Condition E2B Part 1 b 8(5)(b)(ii) (Restriction of revenue in respect of the Distribution Network transportation activity)

(NTSBAExC_{v,t} (GWh/d) Table)

North West Distribution Network

Distribution	NTSBAExC _{v,t} (GWh/d)						
Network exit zone v	t=2	t=3	t=4	t=5	t=6	t=7	t=8
NW1	335.28	340.13	347.80	348.01	233.83	235.58	294.34
NW2	210.02	211.87	216.63	219.04	344.73	347.16	285.32

East of England Distribution Network

Distribution	NTSBAExC _{v,t} (GWh/d)								
Network exit zone v	t=2	t=3	t=4	t=5	t=6	t=7	t=8		
EM1	87.61	90.11	92.09	92.92	113.88	115.35	80.53		
EM2	95.43	96.25	97.03	98.22	107.31	108.69	118.33		
EM3	285.35	290.08	294.18	297.55	277.06	280.63	309.67		
EM4	19.09	19.42	19.50	19.63	21.00	21.27	16.52		
EA1	37.66	38.80	39.70	40.28	40.78	41.58	43.57		
EA2	41.60	42.59	43.32	43.82	46.29	47.08	45.79		
EA3	62.21	63.96	65.16	66.09	76.66	71.16	49.04		
EA4	224.16	229.55	233.68	236.33	230.17	241.50	260.35		

West Midlands Distribution Network

Distribution		NTSBAExC _{v,t} (GWh/d)								
Network exit zone v	t=2	t=3	t=4	t=5	t=6	t=7	t=8			
WM1	74.90	76.17	77.52	80.48	114.18	115.63	128.07			
WM2	246.32	250.53	254.96	255.06	240.55	243.62	226.23			
WM3	129.59	131.79	134.14	134.67	122.53	123.56	111.37			

London Distribution Network

Distribution		NTSBAExC _{v,t} (GWh/d)						
Network exit zone v	t=2	t=3	t=4	t=5	t=6	t=7	t=8	
NT1	20.34	12.69	12.86	11.42	21.23	21.50	18.00	
NT2	175.93	194.94	197.34	186.39	188.29	190.65	185.86	
NT3	287.19	281.01	284.71	299.34	322.60	326.65	315.24	

...

However, for all days from 1 October $\frac{2010}{2011}$ (or such date that the Authority otherwise directs in writing), $DNExCTC_t$ shall have the value zero (0).

...

Special Condition E2B Part 1 b 8(5)(b)(iii) (Restriction of revenue in respect of the Distribution Network transportation activity)

(NTSBAExFF $_{v,t}$ (GWh/d) table)

North West Distribution Network

Distribution		$NTSBAExFF_{v,t}$ (GWh/d)							
Network exit zone v	t=2	t=3	t=4	t=5	t=6	t=7	t=8		
NW1	6.30	8.19	8.71	9.31	22.82	23.61	15.15		
NW2	8.32	8.45	8.74	8.79	15.08	15.11	25.76		

East of England Distribution Network

Distribution		NTSBAExFF _{v,t} (GWh/d)							
Network exit zone v	t=2	t=3	t=4	t=5	t=6	t=7	t=8		
EM1	1.54	1.98	1.33	1.57	0.12	0.13	6.84		
EM2	0.76	0.77	0.78	0.79	6.70	6.78	0.61		
EM3	6.30	7.66	5.74	6.45	2.15	2.18	17.34		
EM4	1.22	1.24	1.26	1.28	1.29	1.31	0.98		
EA1	5.08	5.25	5.36	5.45	5.52	5.61	6.46		
EA2	5.62	5.76	5.86	5.92	6.06	6.16	6.79		
EA3	-0.64	-0.36	-0.14	0.07	0.75	0.76	0.00		
EA4	-1.00	-0.43	0.02	0.44	0.29	0.30	-3.16		

West Midlands Distribution Network

Distribution							
Network exit zone v	t=2	t=3	t=4	t=5	t=6	t=7	t=8
WM1	1.44	1.61	1.81	1.74	-0.48	-0.48	-10.18
WM2	4.88	5.35	5.92	6.06	2.76	2.79	11.01
WM3	-5.06	-4.86	-4.56	-4.13	-2.65	-2.62	2.66

London Distribution Network

Distribution	NTSBAExFF _{v,t} (GWh/d)								
Network exit zone v	t=2	t=3	t=4	t=5	t=6	t=7	t=8		
NT1	2.85	0.00	0.00	0.00	0.00	0.00	0.00		
NT2	0.00	0.00	0.00	0.00	-5.57	-4.48	-6.28		
NT3	8.05	0.00	0.00	0.00	-9.48	-9.03	0.00		

...

However, for all days from 1 October $\frac{2010}{2011}$ (or such date that the Authority otherwise directs in writing), $DNExFFTC_t$ shall have the value zero (0).

...

Appendix 2 to section 23 notice Proposal to modify Special Condition E2B of Northern Gas Networks Ltd's gas transporters licence

Special Condition E2B Part 1 b 8(5)(b)(ii) (Restriction of revenue in respect of the Distribution Network transportation activity)

(NTSBAEx $C_{v,t}$ (GWh/d) Table)

North of England Distribution Network

Distribution	NTSBAExC _{v,t} (GWh/d)							
Network exit zone v	t=2	t=3	t=4	t=5	t=6	t=7	t=8	
NO1	243.32	247.23	250.04	254.86	249.74	252.23	250.88	
NO2	26.37	26.70	26.97	27.18	28.08	28.45	30.08	
NE1	220.57	223.72	226.29	228.08	242.52	245.72	246.05	
NE2	60.69	61.39	61.94	62.40	66.7	67.58	69.33	

. . .

However, for all days from 1 October $\frac{2010}{2011}$ (or such date that the Authority otherwise directs in writing), $DNExCTC_t$ shall have the value zero (0).

...

Special Condition E2B Part 1 b 8(5)(b)(iii) (Restriction of revenue in respect of the Distribution Network transportation activity)

(NTSBAExFF_{v,t} (GWh/d) table)

North of England Distribution Network

Distribution		NTSBAExFF _{v,t} (GWh/d)							
Network exit zone v	t=2	t=3	t=4	t=5	t=6	t=7	t=8		
NO1	-1.04	-0.46	-0.03	0.69	-2.36	-2.33	0.66		
NO2	2.57	2.61	2.64	2.65	2.61	2.64	2.96		
NE1	7.64	5.58	9.86	10.59	20.3	20.56	20.42		
NE2	0.61	0.22	0.31	0.37	1.08	1.1	4.45		

...

However, for all days from 1 October $\frac{2010}{2011}$ (or such date that the Authority otherwise directs in writing), $DNExFFTC_t$ shall have the value zero (0).

Appendix 3 to section 23 notice Proposal to modify Special Condition E2B of Scotland Gas Networks plc's gas transporters licence

Special Condition E2B Part 1 b 8(5)(b)(ii) (Restriction of revenue in respect of the Distribution Network transportation activity)

(NTSBAEx $C_{v,t}$ (GWh/d) Table)

Scotland Distribution Network

Distribution	NTSBAExC _{v,t} (GWh/d)								
Network exit zone v	t=2	t=3	t=4	t=5	t=6	t=7	t=8		
SC1	53.47	58.73	59.73	60.67	55.53	56.08	54.33		
SC2	67.08	69.19	72.71	74.18	75.97	77.04	63.88		
SC4	237.59	242.77	245.32	249.23	245.95	248.90	242.74		

. . .

However, for all days from 1 October 2010 (or such date that the Authority otherwise directs in writing), DNExCTC, shall have the value zero (0).

...

Special Condition E2B Part 1 b 8(5)(b)(iii) (Restriction of revenue in respect of the Distribution Network transportation activity)

(NTSBAExFF $_{v,t}$ (GWh/d) table)

Scotland Distribution Network

Distribution	oution NTSBAExFF _{v,t} (GWh/d)							
Network exit zone v	t=2	t=3	t=4	t=5	t=6	t=7	t=8	
SC1	4.88	6.30	6.00	5.71	6.17	6.23	3.62	
SC2	7.46	7.71	8.09	8.24	8.31	8.39	8.66	
SC4	12.21	12.93	13.57	14.32	13.94	14.08	5.79	

. . .

However, for all days from 1 October $\frac{2010}{2011}$ (or such date that the Authority otherwise directs in writing), DNExFFTC, shall have the value zero (0).

. . .

Appendix 4 to section 23 notice Proposal to modify Special Condition E2B of Southern Gas Networks plc's gas transporters licence

Special Condition E2B(8)(5)(b)(ii) (Restriction of revenue in respect of the Distribution Network transportation activity)

(NTSBAEx $C_{v,t}$ (GWh/d) Table)

Southern Distribution Network

Distribution	NTSBAExC _{v,t} (GWh/d)						
Network exit zone v	t=2	t=3	t=4	t=5	t=6	t=7	t=8
SE1	412.86	416.30	419.01	421.10	454.73	460.09	472.83
SE2	107.71	108.81	109.67	110.19	102.46	103.67	95.69
SO1	114.77	116.37	116.54	121.22	120.72	121.88	124.64
SO2	280.67	286.44	297.99	298.56	308.34	313.89	320.16

. . .

However, for all days from 1 October $\frac{2010}{2011}$ (or such date that the Authority otherwise directs in writing), DNExCTC_t shall have the value zero (0).

. . .

Special Condition E2B Part 1 b 8(5)(b)(iii) (Restriction of revenue in respect of the Distribution Network transportation activity)

(NTSBAExFF_{v,t} (GWh/d) table)

Southern Distribution Network

Distribution	NTSBAExFF _{v,t} (GWh/d)						
Network exit zone v	t=2	t=3	t=4	t=5	t=6	t=7	t=8
SE1	0.00	0.00	0.00	0.00	0.00	0.00	4.93
SE2	0.00	0.00	0.00	0.00	0.00	0.00	3.26
SO1	8.43	7.49	5.66	3.17	5.22	5.30	3.57
SO2	5.06	7.50	6.45	7.59	7.54	7.66	11.80

However, for all days from 1 October 2010 (or such date that the Authority otherwise directs in writing), DNExFFTC, shall have the value zero (0).

. . .

Appendix 5 to section 23 notice Proposal to modify Special Condition E2B of Wales and West Utilities Ltd's gas transporters licence

Special Condition E2B Part 1 b 8(5)(b)(ii) (Restriction of revenue in respect of the Distribution Network transportation activity)

(NTSBAExC $_{v,t}$ (GWh/d) Table)

Wales and West Distribution Network

Distribution	NTSBAExC _{v,t} (GWh/d)						
Network exit zone v	t=2	t=3	t=4	t=5	t=6	t=7	t=8
SW1	36.49	37.69	38.26	38.72	39.12	39.76	39.49
SW2	157.03	162.17	164.62	166.65	168.96	171.76	173.07
SW3	90.86	93.83	95.24	96.72	97.69	99.31	99.34
WA1	51.71	52.92	53.94	54.81	53.78	54.55	54.06
WA2	187.30	190.82	193.68	195.98	198.25	200.05	242.30

. . .

However, for all days from 1 October $\frac{2010}{2011}$ (or such date that the Authority otherwise directs in writing), DNExCTC_t shall have the value zero (0).

...

Special Condition E2B Part 1 b 8(5)(b)(iii) (Restriction of revenue in respect of the Distribution Network transportation activity)

(NTSBAExFF_{v,t} (GWh/d) table)

Wales and West Distribution Network

Distribution		NTSBAExFF _{v,t} (GWh/d)					
Network exit zone v	t=2	t=3	t=4	t=5	t=6	t=7	t=8
SW1	1.76	1.99	2.09	2.18	2.13	2.23	2.29
SW2	4.13	4.54	4.73	4.92	5.38	5.62	5.98
SW3	3.87	4.62	4.96	2.81	3.69	4.00	4.11
WA1	0.00	0.00	0.00	0.00	0.00	0.00	0.00
WA2	0.00	0.00	0.00	-0.01	0.00	0.00	0.98

. . .

However, for all days from 1 October $\frac{2010}{2011}$ (or such date that the Authority otherwise directs in writing), DNExFFTC_t shall have the value zero (0).