

## **GTCR Technical Group**

Workshop 1/4

**Ofgem: Alena Aliakseyeva, Victoria Volossov**  
**CEPA: Ian Alexander, Patrick Taylor**  
**TPA Solutions: Debra Hawkin**

08/07/14

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Welcome, introductions	Alena Aliakseyeva	14h00-14h15
Agreement on Terms of Reference	Alena Aliakseyeva	14h15-14h45
GTCR: understanding impact of options for change – Ofgem/CEPA/TPA solutions project	CEPA/TPA	14h30-15h45
Price responsiveness of demand for entry capacity – discussion of questions raised in CEPA/TPA paper		
Conclusions, next steps	Alena Aliakseyeva	15h45-16h00

The **purpose** of the group is to support the development of the **technical/modelling detail** of potential options for NTS charging arrangements.

The three core options to be considered are:

- Change the structure of discounts applied to short-term capacity products.
- Adjust the payable price on long-term capacity to take account of the inflation effect
- Move to floating tariffs across all NTS points

### Scope of work:

- Comment on and refine assumptions feeding into the model;
- Comment on and refine scenarios and options to be modelled (eg which discounts to apply, how floating tariffs system should be modelled);
- Comment on methodology approach – a) in respect of price responsiveness of demand for capacity b) in respect of modelling impacts of changes on cross-border flows;
- Comment on model design;
- Comment on robustness of outputs;
- Produce a report summarising the discussions and conclusions (suitable for publication).

## Out of scope for the Technical Group:

- Discussion of contractual arrangements/TAR NC provisions for existing contracts, etc.
- Interpretation of TAR NC provisions beyond what is necessary for modelling

## Commitment required

- Four 2hr meetings over July/August, in London:
  - 8 July pm
  - 18 July pm - confirmed
  - 29 July (TBC)
  - 16 August (TBC)
- Actively provide constructive comments in both written and verbal form at meetings - on the technical solutions and the form of methodology changes required under the broad options for change
- Actively contribute to drafting of the group's "Conclusions" report by 8 September
  - The report will briefly summarise the technical debate at each of the working group meetings and detail the technical solutions agreed and the form of methodology changes required under each of the broad options for change.

## Membership

- 8 ACTIVE members, observers welcome
- Membership format – follow UNC mod panel representation
  - Transporters – 2 (Richard Hewitt, NGG to co-ordinate reps)
  - Shippers:
    - “Large” shipper – 1 (Gas Forum to co-ordinate reps)
    - “Small” shipper – 1 (Small Shipper forum to co-ordinate reps)
    - Interconnector user – 1
    - LNG user – 1
    - UKCS user – 1
    - Storage user – 1 (GSOG to co-ordinate rep)
  - Anyone else - 1

Each representative must be willing to stand, and acknowledge, that they are willing and able to represent the industry rather than just their employer, if selected.

**Nominations to Ofgem by 3pm Thursday, 10 July.**

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