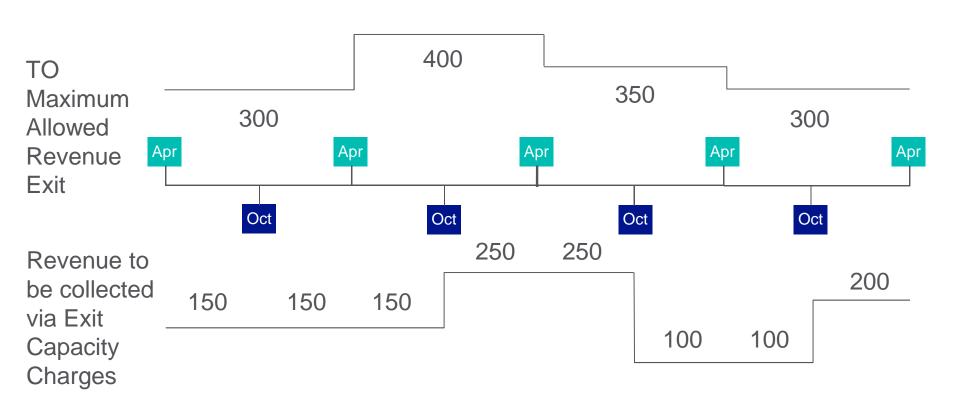


Charging Timeline – Transmission Owner Exit Capacity Charges

Oct 18 Nov 18	Dec 18 Jan 19	Feb 19 Mar 19	Apr 19 M	1ay 19	Jun 19	Jul 19	Aug 19	Sep 19	Oct 19	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20
Remaining Revenue Current Regulatory Year Maximum Allowed Revenue For Next Regulatory Year														
Exit Capacity	/ Charges Set In	Oct To Collect	Remaining	g Reve	nue Fro	m Curre	nt Reg	Year	New G	ias Year	Exit Ca	pacity F	Prices Ef	fective
			Final C Exit Capa Price Published Indicative next 3 years	acity es ed + re for										
Current Oct Commodity Charges Effective			April Commodity Charges Effective					e	Next Oct Commodity Charges Effective					tive
Indicative Apr Commodity Charges Published	Fina Apı Commo Charç Publis	odity ges	Indicati Oct Commo Charge Publish	dity es		Fina Oct Commo Charg Publisł	dity es		Indic Ap Comm Chai Publi	or nodity ges		Fina Apr Commo Charg Publisl	odity es	

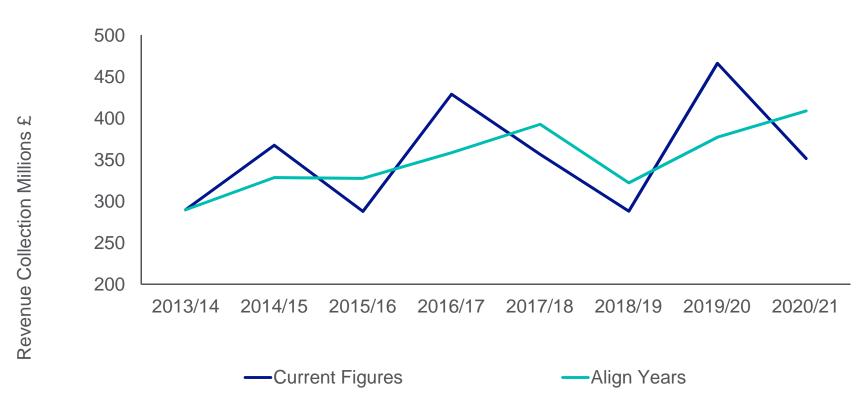
National Grid

Pendulum pricing effect - representative values



National Grid

Impact on charges vs changes to allowed revenue



Challenges

Changing Gas Year to Align with Regulatory Year

- Gas Year dates set by EU Regulation
- Industry wide contract year
- Not in National Grid's power to change

Changing Regulatory Year to Align with Gas Year

- Misalignment with other Network Operators
- Finance and Reg years out of sync, two year ends for NG
- Needs Ofgem approval
- Lots of back office work
- Cost to achieve

Other Options?

Gas System Operator

Table Discussion



national **grid**

Gas Year /Regulatory Year Table Discussion

What is the impact on you of the volatile Exit charges due to the difference in the Gas Year & Regulatory Year?

Gas Year / Regulatory Year Table Discussion

What are other potential solutions/mitigations to any or all of the difficulties?

Gas Year/ Regulatory Year

Sli.do Poll #RIIO2

AOB & Next Steps

National Grid

Gas Year/ Regulatory Year

Sli.do Poll #RIIO2

Please complete feedback form

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