

31st July 2020

## Revised NTS Charges to apply from 1 October 2020

This notice is issued in line with National Grid Gas' ("National Grid") Transporters Licence in respect of the NTS and our obligations contained in the Uniform Network Code, which requires National Grid to provide at least two months' notice of changes to its gas transportation charges. This notice details The General Non-Transmission Services charges that will apply from 1 October 2020.

A copy of our document "**Notice of Gas Transmission Transportation Charges effective from 1 October 2020**", which contains all charges that will apply from 1 October 2020 is available on the National Grid website <https://www.nationalgridgas.com/charging/transmission-system-charges> and should be read in conjunction with this note.

### UNC Modification 0678A

UNC Modification 0678A 'Amendments to Gas Transmission Charging Regime' was implemented on 28<sup>th</sup> May 2020, with an implementation date of 1<sup>st</sup> October 2020. The charges included in this notice are calculated in accordance with the methodology as prescribed in UNC Modification 0678A.

### General Non-Transmission Services Charges

The final **General Non-Transmission Services Charge** for October 2020 is set at **0.0128** p/kWh. The indicative values for years 21-22 to 24-25 are contained in the table below.

	<i>Final</i>	<i>Future Year Indicatives</i>			
	<b>Oct 20 – Mar 21</b>	Apr 21 – Mar 22	Apr 22 – Mar 23	Apr 23 - Mar 24	Apr 24 – Mar 25
<i>General Non-Transmission Services</i>	<b>0.0128</b>	0.0136	0.0123	0.0142	0.0143

The Indicative NTS Exit (Flat) Capacity charges for the period 2021/22 to 2024/25 have been prepared based upon National Grid Gas Transmission's RIIO-2 business plan, covering the price control period from 1st April 2021 to 31st March 2026 which was submitted to Ofgem on 9th December 2019. Since the RIIO-2 framework will remain under development in 2020, there remains a degree of uncertainty in the allowed revenues and therefore also the indicative charges.

## St Fergus Compression Charge

The **Compression Charge** levied at the North Sea Midstream Partners (NSMP) sub-terminal at St. Fergus is to decrease from its current level of 0.0125 p/kWh to **0.0085** p/kWh. Forecast costs for this compression have decreased due to lower gas prices.

## Supporting Information

National Grid will be publishing the Transportation Models used to calculate the Transmission Services and General Non-Transmission Services prices for October 2020 on the National Grid website at <https://www.nationalgridgas.com/charging/transmission-system-charges>

There will be an opportunity to discuss these changes at a subsequent NTS Charging Methodology Forum (NTSCMF), details of which can be found at <http://www.gasgovernance.co.uk/ntscmf/>.

If you have any questions, please contact Dave Bayliss at [dave.bayliss@nationalgrid.com](mailto:dave.bayliss@nationalgrid.com) or email our charging team at [box.NTSGasCharges@nationalgrid.com](mailto:box.NTSGasCharges@nationalgrid.com).