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2nd May 2018

Our Ref: 2018 – Keadby Power Station- ExCS

Dear Industry Colleagues,

Keadby Power Station ExCS Informal Notice (including exit Substitution & Baseline Revision)

National Grid Gas plc (“National Grid”) received a Planning and Advanced Reservation of Capacity Agreement (PARCA) application on 23rd October 2017. The application achieved competency¹ on 24th October 2017. The application requested firm Enduring Annual NTS exit (Flat) Capacity² in excess of the prevailing baseline capacity level at the Eastoft (Keadby) NTS Exit Point. The application requested up to:

- 36,060,000 kWh/d from 1st October 2020

The PARCA application triggered Phase 1 of the PARCA process on 27th October 2017.



As part of Phase 1 works, National Grid completed network analysis to identify the most appropriate and robust solution to accommodate the capacity being requested. The Phase 1 process identified that the capacity request could be met by;

- The existing unsold capacity at Eastoft (Keadby) NTS Exit Point from 1st October 2020
- A combination of unsold capacity at Eastoft (Keadby) NTS Exit Point and substitution of unsold capacity from West Burton, Stallingborough and Thornton Curtis (Killingholme) direct connect (DC) Exit Points from 1st April 2021
- Substitution of unsold exit capacity from the following DC Exit Points (all of them power stations): West Burton, Stallingborough and Thornton Curtis (Killingholme) DC Exit Points from 1st October 2022.

¹ As per Uniform Network Code, Transportation Principal Document, Section B – System Use and Capacity, para. 1.15.4.

² Please note that this notice contains terminology relating to Exit Capacity which is used in the Licence and in the Uniform Network Code (“UNC”). Licence defined capacity terms are given in **bold italics**.

This informal notice signifies the end of PARCA Phase 1 and the first opportunity for industry parties to raise any concerns around the method to meet the additional capacity request in this location.

Application for Capacity Release

Substitution of Unsold Capacity from April 2021

As part of the Phase 1 works, National Grid completed network analysis to assess what impact the capacity had on the existing network.

In accordance with the Gas Transporter Licence³, substitution⁴ of **Non-incremental Obligated Capacity** has been assessed and identified as being able to meet the Firm Enduring Annual NTS (Flat) Capacity requirements in excess of the prevailing baseline NTS Capacity at the Eastoft (Keadby) NTS Exit Point in full.

National Grid therefore proposes that from:

- **From 1st April 2021** the additional Baseline NTS Capacity identified at the Eastoft (Keadby) exit point can be met by substituting unsold NTS Baseline Capacity From West Burton, Stallingborough and Thornton Curtis (Killingholme) DC exit points (See table below).
- **From 1st October 2022** the additional Baseline NTS Capacity identified at the Eastoft (Keadby) exit point can be met by substituting unsold NTS Baseline Capacity From West Burton, Stallingborough and Thornton Curtis (Killingholme) DC exit points (See table below).

Statement of proposed Non-incremental Capacity substitution in accordance with Special Condition 5G paragraph 6 (formerly paragraph 4(a) (iv) of Special Condition C8E) of the Licence:

From April 2021:

<i>Recipient NTS Point</i>	<i>Donor NTS Exit Points</i>	<i>Capacity Donated (kWh/d)</i>	<i>Capacity Received (kWh/d)</i>	<i>Exchange Rate (Donor : Recipient)</i>	<i>Total Exchange Rate (Donor : Recipient)</i>
Eastoft (Keadby)	West Burton	12,276,795	11,769,528	1.0431 : 1	1.9674 : 1
	Stallingborough	15,312,169	6,379,805	2.4001 : 1	
	Thornton Curtis (Killingholme)	33,295,979	12,797,778	2.6017 : 1	

³ Special Condition 5G (formerly paragraph 3(c) (i) of Special Condition C8E).

⁴ During October 2015, the Authority approved the Exit Capacity Substitution and Revision Methodology Statement (the "Methodology") pursuant to Special Condition 9A.

From October 2022:

<i>Recipient NTS Point</i>	<i>Donor NTS Exit Points</i>	<i>Capacity Donated (kWh/d)</i>	<i>Capacity Received (kWh/d)</i>	<i>Exchange Rate (Donor : Recipient)</i>	<i>Total Exchange Rate (Donor : Recipient)</i>
Eastoft (Keadby)	West Burton	12,276,795	11,769,528	1.0431 : 1	2.0573 : 1
	Stallingborough	15,312,169	6,379,805	2.4001 : 1	
	Thornton Curtis (Killingholme)	46,598,182	17,910,667	2.6017 : 1	

Baseline Modification Proposal:

From April 2021:

<i>NTS Point</i>	<i>Type</i>	<i>Recipient / Donor</i>	<i>Current Baseline (kWh/d)</i>	<i>Proposed Baseline (kWh/d)</i>	<i>Remaining unsold capacity (kWh/d)</i>
Eastoft (Keadby)	DC	Recipient	5,112,889	36,060,000	0
West Burton	DC	Donor	26,839,694	14,562,899	14,562,899*
Stallingborough	DC	Donor	68,012,169	52,700,000	0
Thornton Curtis (Killingholme)	DC	Donor	91,000,001	57,704,022	57,704,022

*Remaining unsold capacity to be substituted to Eggborough power station in October 2022 and Ferrybridge D power station in April 2023.

From October 2022:

<i>NTS Point</i>	<i>Type</i>	<i>Recipient / Donor</i>	<i>Current Baseline (kWh/d)</i>	<i>Proposed Baseline (kWh/d)</i>	<i>Remaining unsold capacity (kWh/d)</i>
Eastoft (Keadby)	DC	Recipient	0	36,060,000	0
West Burton	DC	Donor	23,035,220 ¹	10,758,425	10,758,425*
Stallingborough	DC	Donor	68,012,169	52,700,000	0
Thornton Curtis (Killingholme)	DC	Donor	91,000,001	44,401,819	44,401,819

*Remaining unsold capacity to be substituted to Ferrybridge D power station in April 2023.

¹ This baseline is reduced from that of April 2021 as the capacity has been used by Eggborough power station.

Appendix 1 provides additional information regarding the proposal to demonstrate that National Grid has determined its proposals for capacity substitution in accordance with the Methodology.

I would therefore be grateful if you could acknowledge receipt of this written proposal and the date on which it was received.

If you require any further information, please contact myself or Mark Hamling, Gas Network Capability Manager on 01926 654276.

Yours sincerely,

Craig Dyke

Gas Network Development Manager
Network Capability & Operations, Gas
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