**Key Points regarding UK Interconnection Points for gas days from 1st November 2015**

The new EU processes for Nominations and Allocations were implemented for gas days effective from 1st October 2015. On the 1st November 2015 the next major EU Code - Capacity Allocation Mechanisms (CAM) - becomes effective. This summary note outlines the key changes affecting Users of the National Transmission System on and before this date, and contains contact details if Users wish to request further information.

*Please note this is not a legal document, and where there is any discrepancy between this document and the Uniform Network Code (UNC), Interconnector Agreements (IAs) or Licence, the UNC / IA / Licence will take precedence.*

**CAM Capacity Auctions**

* All auctions of primary capacity for Interconnection Points (IPs) will take place on PRISMA.
* Publication of Auction Information (Available Capacity, Prices, bundling info etc.) will also take place on PRISMA.
* Users must complete the PRISMA registration process before being able to use PRISMA functionalities. Users need to obtain an Energy Identification Code (EIC) to complete PRISMA registration. EICs can be obtained from Xoserve who are a Local Issuing Office for EICs.
* Auctions will take place on PRISMA in line with the CAM auction calendar published annually by ENTSOG. (<http://www.entsog.eu/publications/capacity-allocation-cam>)
* The first CAM auctions for 1st November 2015 will take place the day ahead on 31st October 2015.
  + The bid window for firm capacity opens at 15:30 GMT (which is equivalent to 16:30 CET) for 30 mins.
  + The bid window for interruptible capacity opens at 16:30 GMT for 30 mins.
  + The bid window for the within day auctions then opens at 18:00 on D-1.

**Relevant Interconnection Points (IPs) for GB**

* The relevant Entry and Exit points where the EU rules are applied are listed below. At each point capacity can be bundled with the Adjacent TSO.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Entry / Exit | Location | Notes | Name on PRISMA | Adjacent TSO(s) | Capacity Units |
| Entry | Bacton IP | Created following Bacton ASEP split | BactonUKEn | BBL; IUK | kWh/h |
| Entry | Moffat | Virtual Entry Point | MoffatUKEn | GNI; PTL | kWh/d |
| Exit | Bacton BBL | Virtual Exit Point | BactonUKExBBL | BBL | kWh/h |
| Exit | Bacton IUK | - | BactonUKExIUK | IUK | kWh/h |
| Exit | Moffat | - | MoffatUKEx | GNI; PTL | kWh/d |

* Note the current Bacton ASEP will be split into Bacton IP and Bacton UKCS on 1st Nov 15. The Bacton UKCS ASEP will not be subject to the new EU rules.
* Where a User specifies the current Bacton ASEP as a nominated point for UK ‘shorthaul’ (the optional NTS Commodity charge), then it is required to specify either Bacton UKCS or Bacton IP as the new nominated point.

**Units**

* In order to sell bundled capacity then capacity units will be matched with the adjacent TSO. Please refer to the above table for the units applied at each point. e.g. At Bacton IUK then capacity will be converted to kWh/h (and prices will be converted to p/kWh/h\*runtime)
  + Where capacity is sold in kWh/h on PRISMA then it will be converted back to kWh/d to store on Gemini.
* The following common reference conditions[[1]](#footnote-1) will also apply at each IP:
  + Moffat – reference conditions will remain on a 15/15 basis.
  + Bacton IP, Bacton IUK and Bacton BBL – reference conditions will remain on a 15/15 basis on the UK side[[2]](#footnote-2) until 30th April 2016[[3]](#footnote-3).
  + Bacton IP – reference conditions will change to a 0/25 basis from 1st May 2016.

**Bundling**

* Available (unsold) capacity will be offered as Bundled with the Adjacent TSO where possible.
  + The TSO with excess Available capacity may offer the excess as unbundled capacity.
* A single legal entity must bid for / acquire the 2 ‘halves’ of the capacity bundle on each side of the IP. The entity is identified by having a single EIC.
* The UK Business Associate (BA) codes must be linked to a single EIC (and vice versa).
* Capacity that has been sold as unbundled may be bundled by a Shipper by following the Voluntary Bundling process (this process is already active).

**Noms vs Capacity**

* National Grid will perform no ex-ante validation of nominations[[4]](#footnote-4). This means Users can use double-sided or single-sided nominations regardless of what capacity (bundled/unbundled) they do or do not hold. (Further info is contained in our FAQs on our EU implementation [webpage](http://www2.nationalgrid.com/uk/industry-information/europe/eu-project---implementation-information/))
* Ex-post validation of nominations will effectively continue through the overrun charge. i.e. Users should hold enough capacity at the end of the day to cover their final allocation for the day at each point. For the avoidance of doubt the overrun charge will remain an end of the day calculation even if capacity is sold hourly (kWh/h) on PRISMA.

**Transfers**

* Transfers of National Grid IP capacity must be via PRISMA.
* Transfers should be marked as bundled (2 TSOs) or unbundled (1 TSO). Bundled capacity transfers will require the approval of both TSOs.
  + IUK are not using PRISMA for transfers, so transfers of NG-IUK bundled capacity should be submitted separately on both PRISMA (as unbundled) and the IUK system.
* Transfers shall be ‘Transfer of Use’ and not ‘assignment[[5]](#footnote-5)’.
* Transfers should be completed using the OTC method on PRISMA.

**Transition Arrangements**

* Any legacy Enduring Exit (Flat) Capacity at IPs will be end-dated from 1st October 2020. It can continue to be Reduced or Assigned to other Users up to this date.

**Available Capacity**

* National Grid is obliged to offer the technical capacity to the market at each point. The technical capacity for National Grid is the stated baselines in the NTS Licence.
* In addition to unsold Technical Capacity, further firm capacity may be made available in each auction in accordance with the Congestion Management Procedures.
* The release of interruptible capacity will be in line with the existing UNC rules for entry and exit.

**Congestion Management Procedures**

* Users can offer to Surrender capacity (minimum duration of 1 month) for periods after 1st November. That capacity will be included in the Available amount of capacity offered for the next auction covering the relevant period. (Surrenders can be submitted via PRISMA already).
* National Grid can offer additional capacity (i.e. capacity over and above technical capacity) in a CAM auction under the Oversubscription mechanism. National Grid already operates such a mechanism at all points on the network and this will continue.
* The monitoring of a Users capacity utilisation at IPs will continue, under the Long Term Use-it-or-Lose-it mechanism (this process is already live).

**Contingency Arrangements**

* If PRISMA is offline, or due to go offline, then PRISMA will communicate this (via e-mail) to all affected parties. When PRISMA is available again then this will also be communicated to parties; a 3 hour lead time will be given before within day auctions recommence.
* Under some scenarios then the following additional rule will apply. In the event that PRISMA is offline:
  + so that 6 consecutive within day auctions are missed; or
  + there is an outage of any duration that includes the last within day auction of the day,

then UNC Overrun Charges will be suspended for the day.

**Further Info / Contacts**

* Further information, including a FAQ and Legal Roadmap document, is available on the NG website. <http://www2.nationalgrid.com/uk/industry-information/europe/eu-project---implementation-information/>
* EIC and PRISMA Registration Queries:
  + Xoserve Customer Life Cycle Team - [customerlifecycle.spa@xoserve.com](mailto:customerlifecycle.spa@xoserve.com)
* PRISMA Platform / Website Queries:
  + Email: [platform@prisma-capacity.eu](mailto:platform@prisma-capacity.eu)
  + Web: [www.prisma-capacity.eu](http://www.prisma-capacity.eu/)
  + Phone: +49 341 69 92 990 – 69
* Capacity Related Questions / Queries:
  + National Grid Capacity Team
    - [capacityauctions@nationalgrid.com](mailto:capacityauctions@nationalgrid.com)
    - 01926 654057
  + Commercial Frameworks
    - [malcolm.montgomery@nationalgrid.com](mailto:malcolm.montgomery@nationalgrid.com)
    - 01926 653991
* Xoserve service desk for Gemini related issues and/or queries:
  + Phone (UK): 0845 6000506
  + Phone (Int): +44121 623 2858
  + Email: [servicedesk@xoserve.com](mailto:servicedesk@xoserve.com)
  + Website: [www.xoserve.com/index.php/our-systems/gemini/gemini-training/](http://www.xoserve.com/index.php/our-systems/gemini/gemini-training/)

1. Reference Conditions are with respect to temperature ref. for Volume, and temperature ref. for Wobbe. [↑](#footnote-ref-1)
2. On the BBL side only then reference conditions will be on a 0/25 basis. [↑](#footnote-ref-2)
3. Subject to approval of UNC Modfication Proposal 0562. [↑](#footnote-ref-3)
4. Except for Exceptional Event days (e.g. constraints) where nomination validation can be applied at an aggregate level. [↑](#footnote-ref-4)
5. Assignment of NG legacy Enduring Exit Capacity will continue to be possible for a limited time. [↑](#footnote-ref-5)