

GCM01 Final Proposals

Gas TCMF

1st February 2007

GCM01 Timeline

Milestone	Date
Consultation Conclusions document including. Final Proposals published	25 th January 2007
Ofgem veto period expires (Assumes no Impact Assessment)	22 nd February 2007
Ofgem veto period expires (Full 13 week Impact Assessment)	25 th April 2007
Notice of Entry Prices	30 th June 2007
Auctions from	September 2007
Notice of Exit Prices	31 st August 2007
Application	1 st October 2007

Changes to the Original Proposal

- ◆ Final proposal: Option 2b: Transportation Model
 - ◆ Entry baseline prices based on analysis of the baseline/obligated capacity level
- ◆ The following changes were made to the original option 2b proposal
 - ◆ No incremental entry capacity pricing methodology final proposal at this stage.
 - ◆ No end date for the methodology is proposed.
- ◆ The methodology should be implemented for NTS Exit Capacity on 1st October 2007 and for all NTS Entry Baseline Capacity sold from 1st October 2007.

GCM01 Entry Implementation

Entry Auction	Implementation Date
QSEC	September 2007
DSEC (Day Ahead)	30 Sep 2007
DSEC (Within Day)	1 Oct 2007
RMSEC	Sep 2007
MSEC	February 2008

Incremental Entry Pricing Methodology

- ◆ Interactions between the IECR User commitment model and pricing methodology are such that they warrant a combined consultation
 - ◆ Need to ensure that decoupling of the UCA from the User commitment test and revisions to the entry capacity pricing methodology achieve the relevant objectives.
- ◆ National Grid NTS will seek to develop a consistent set of changes to the IECR based on the use of the Transportation model to calculate LRICs.

Website

- ◆ Documents Published on the Website
 - ◆ GCM01 Consultation Conclusions document
 - ◆ DRAFT GCM01 Charging Methodology capacity section
 - ◆ GCM01 responses
- ◆ <http://www.nationalgrid.com/uk/Gas/Charges/consultations/CurrentPapers/>