

The Joint Office, Relevant Shippers,  
Gas Transporters, and other interested parties

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## Transmission Planning Code PARCA Version Consultation 2015

30<sup>th</sup> January 2015

Dear Colleague

National Grid Gas plc ("National Grid") is commencing its 2015 Consultation in respect of the Gas Transportation Transmission Planning Code ("TPC"), incorporating the introduction of the Planning and Advanced Reservation of Capacity Agreement ("PARCA") arrangements.

We reviewed the TPC in 2014 to discharge our obligation under Special Condition 7B of our Gas Transporter Licence in respect of the NTS ("the Licence") to conduct a review at least once every 2 years by the end of date of 1<sup>st</sup> October 2014. We also have an obligation to consult externally on the TPC, and this letter serves notice of the commencement of this Consultation, provides additional background to the TPC, and outlines our proposal for the Consultation.

By way of background, the TPC covers three Licence requirements<sup>1</sup>, namely:

1. to provide a description of the main material technical factors that affect the planning and development of the National Transmission System ("NTS"),
2. to outline a methodology to determine the physical capability of the NTS,
3. to outline our assumptions on likely developments in the patterns and levels of gas supply and demand on the NTS, and assumptions as to the operation of the NTS under different gas supply and demand scenarios.

During the course of the 2014 review, we had intended to consult separately on two versions of the TPC, one of which included the introduction of the PARCA arrangements and one which did not, recognising that at the time an Ofgem decision was anticipated on the UNC Modifications seeking to introduce the PARCA arrangements. Pre-Consultation drafts of PARCA and non-PARCA versions of the TPC were published on our website on Thursday, 3<sup>rd</sup> July, 2014.

By the time we were in a position to launch our 2014 TPC Consultation, it had become apparent that the PARCA arrangements could not be implemented for 1<sup>st</sup> October, 2014 and therefore we consulted on only the non-PARCA version of the TPC. In the Consultation letter we stated that if a decision was made to implement the PARCA arrangements at a later date we would consult on a PARCA version of the TPC, revised if required.

The non-PARCA TPC was subsequently approved by The Authority for implementation on 1<sup>st</sup> October 2014.

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<sup>1</sup> Special Condition 7B, Part A of National Grid Gas Plc's Gas Transporter Licence in respect of the NTS

As a result of the decision by The Authority to direct UNC Modification 0465V, introducing the PARCA arrangements, for implementation, we now propose to consult on the PARCA version of the TPC. Consistent with our approach in the first Consultation, we published on our website pre-Consultation drafts of the TPC (v 4.1 clean and markup) on 14<sup>th</sup> January 2015, with the aim of providing additional time for views to be provided. Also, consistent with our approach in the first Consultation, we also published supporting information in a “TPC Change Summary” spreadsheet (v0.3) to provide an overview of the changes made.

As a result of feedback, we have made one additional change to the pre-Consultation draft and have published Consultation versions of the TPC (v4.2 clean and markup). Again, consistent with our approach so far, we have provided supporting information in a “TPC Change Summary” spreadsheet (v0 4).

These documents can be found at <http://www2.nationalgrid.com/UK/Industry-information/Developing-our-network/Gas-Transportation-Transmission-Planning-Code/>

We invite views on the Consultation and request that they are received by 16:00hrs on Friday, 27<sup>th</sup> February, 2015.

Responses can be sent by e-mail to [richard.hounslea@nationalgrid.com](mailto:richard.hounslea@nationalgrid.com) or [ntsinvestment@nationalgrid.com](mailto:ntsinvestment@nationalgrid.com) (please request a “read receipt” to confirm delivery) or by post to:

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**Please mark your response as “Confidential” if you do not wish it to be published.**

If you have any queries on the TPC, or this consultation, you can also contact me on 01926 655 518.

Yours sincerely,

Richard Hounslea