

BGE Transmission Tariffs for Gas Year 2002/2003

This file details the information used by BGE Transmission in calculating the tariffs for use of the BGE Transmission network from 1st October 2002 to 30th September 2003.

Sheets:

[Tariffs] Contains the 2002/3 Tariffs.

[Onshore Tariff] Calculates the 2002/3 Onshore Tariff

[Inch Tariff] Calculates the 2002/3 Inch Tariff

[IC Tariff] Calculates the 2002/3 Interconnector Tariff

[Bookings & Demand] The projected capacity bookings and annual demand used in the calculations

[Opex] The projected operating costs of the BGE Transmission network

[Capex] The projected capital expenditure on the BGE Transmission network

[RAB] The value of the BGE Transmission Opening Regulated Asset Base

BGE Transmission Tariffs Gas Year 2002/03

	€	
<u>Onshore Network</u>		
capacity	318.207	per peak day MWh
commodity	0.1601	per MWh
<u>Interconnectors</u>		
capacity	367.265	per peak day MWh
commodity	0.2087	per MWh
<u>Inch</u>		
capacity	25.205	per peak day MWh
commodity	0.0121	per MWh

<u>Illustrative Transmission Transportation Costs</u>		
	€	
<u>Transmission Transportation Cost of UK Gas</u>		
capacity	685.471	per peak day MWh
commodity	0.3688	per MWh
<u>Transmission Transportation Cost of Inch Gas</u>		
capacity	343.412	per peak day MWh
commodity	0.1722	per MWh

Appendix 3 Inch Entry Charges

Rate of Return	6.5%	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	Closing Assets															
		€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m															
Opening Asset Value		3																									
Additions	pipeline compressor equipment	-	7	-	-	-	-	-	-	-	-																
Operating Costs		0	0	0	0	0	0	0	0	0	0																
Total		3	7	0	0	0	0	0	0	0	0	-															
revenue requirement (€m)		10																									
revenue receivable 01/02 (€m)		2																									
unrecovered revenue requirement (€m)		9																									
to be recovered over the period 02/03 to 10/11																											
<u>Demand</u>																											
peak days GWh		319	-	43	56	53	49	48	46	45	45	45															
commodity GWh		73891	0	7765	10243	12846	12149	11933	11717	11501	11393	11393															
<table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th colspan="2"></th> <th colspan="2">cpi inflation</th> <th>2002/3</th> </tr> </thead> <tbody> <tr> <td>capacity - c per peak day kWh</td> <td>2.4120</td> <td>4.5%</td> <td></td> <td>2.5205</td> </tr> <tr> <td>commodity - c per kWh</td> <td>0.00116</td> <td>4.5%</td> <td></td> <td>0.00121</td> </tr> </tbody> </table>															cpi inflation		2002/3	capacity - c per peak day kWh	2.4120	4.5%		2.5205	commodity - c per kWh	0.00116	4.5%		0.00121
		cpi inflation		2002/3																							
capacity - c per peak day kWh	2.4120	4.5%		2.5205																							
commodity - c per kWh	0.00116	4.5%		0.00121																							

Note: All figures are in 2001/2002 monies

Appendix 2 Interconnector Entry Charges

Rate of Return	6.5%	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	Closing
		€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m
Opening Asset Value		425										
Additions	pipeline	240	19	-	-	-	25	25	-	-	-	
	compressor	17	0	-	-	-	-	20	20	-	-	
	equipment	1	1	1	1	1	1	1	1	1	1	
Operating Costs		10	14	14	14	13	14	15	16	19	19	
		----	----	----	----	----	----	----	----	----	----	
Total		693	35	15	15	15	41	61	37	20	20	550
		----	----	----	----	----	----	----	----	----	----	
revenue requirement (€m)		590										
revenue receivable 01/02 (€m)		66										
unrecovered revenue requirement (€m)		524										
to be recovered over the period 02/03 to 10/11												
Demand												
peak days GWh		1189	184.6	179.0	160.9	137.9	147.1	156.5	187.1	231.1	251.5	
commodity GWh		232487	46793	44974	29088	14309	17542	27481	36871	45765	54072	
capacity - c per peak day kWh			cpi inflation 2002/3		Deferral of 2002/3 revenue (€m)							10
			4.5%		11%							
commodity - c per kWh			4.5%									

Note: All figures are in 2001/2002 monies

<u>Assets</u>		30.9.01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Cost		523.7	781.7	802.6	804.1	805.6	807.1	833.5	879.7	901.0	902.4	903.9
Acc Dep		- 98.6	- 121.5	- 145.3	- 169.3	- 193.6	- 218.3	- 243.4	- 270.2	- 297.9	- 325.7	- 353.5
		<u>425.1</u>	<u>660.1</u>	<u>657.4</u>	<u>634.8</u>	<u>611.9</u>	<u>588.8</u>	<u>590.1</u>	<u>609.6</u>	<u>603.0</u>	<u>576.7</u>	<u>550.4</u>
Pipeline	cost	415.9	655.5	674.9	674.9	674.9	674.9	699.9	724.9	724.9	724.9	724.9
	acc dep	- 80.4	- 96.8	- 113.6	- 130.5	- 147.3	- 164.1	- 181.6	- 199.7	- 217.8	- 235.9	- 254.0
		<u>335.5</u>	<u>558.7</u>	<u>561.3</u>	<u>544.5</u>	<u>527.7</u>	<u>510.8</u>	<u>518.3</u>	<u>525.2</u>	<u>507.1</u>	<u>489.0</u>	<u>470.9</u>
Compressor	cost	107.4	124.3	124.3	124.3	124.3	124.3	124.3	144.1	163.8	163.8	163.8
	acc dep	- 18.2	- 24.4	- 30.6	- 36.8	- 43.1	- 49.3	- 55.5	- 62.7	- 70.9	- 79.1	- 87.3
		<u>89.2</u>	<u>99.9</u>	<u>93.7</u>	<u>87.5</u>	<u>81.3</u>	<u>75.1</u>	<u>68.8</u>	<u>81.4</u>	<u>92.9</u>	<u>84.7</u>	<u>76.6</u>
Equipment	cost	0.4	1.9	3.4	4.8	6.3	7.8	9.3	10.7	12.2	13.7	15.1
	acc dep	-	- 0.4	- 1.1	- 2.0	- 3.3	- 4.8	- 6.3	- 7.8	- 9.3	- 10.7	- 12.2
		<u>0.4</u>	<u>1.5</u>	<u>2.3</u>	<u>2.8</u>	<u>3.0</u>	<u>2.9</u>	<u>2.9</u>	<u>2.9</u>	<u>2.9</u>	<u>2.9</u>	<u>2.9</u>

<u>Depreciation</u>												
Total Charge	pipeline	-	16.4	- 16.8	- 16.8	- 16.8	- 16.8	- 17.5	- 18.1	- 18.1	- 18.1	- 18.1
	compressor	-	6.2	- 6.2	- 6.2	- 6.2	- 6.2	- 6.2	- 7.2	- 8.2	- 8.2	- 8.2
	equipment	-	0.4	- 0.7	- 1.0	- 1.3	- 1.6	- 1.5	- 1.5	- 1.5	- 1.5	- 1.5
Total Charge		-	<u>23.0</u>	- <u>23.7</u>	- <u>24.0</u>	- <u>24.3</u>	- <u>24.6</u>	- <u>25.2</u>	- <u>26.8</u>	- <u>27.8</u>	- <u>27.8</u>	- <u>27.8</u>
Pipeline	opening assets	-	10.4	- 10.4	- 10.4	- 10.4	- 10.4	- 10.4	- 10.4	- 10.4	- 10.4	- 10.4
	additions	-	6.0	- 6.5	- 6.5	- 6.5	- 6.5	- 7.1	- 7.7	- 7.7	- 7.7	- 7.7
		-	<u>16.4</u>	- <u>16.8</u>	- <u>16.8</u>	- <u>16.8</u>	- <u>16.8</u>	- <u>17.5</u>	- <u>18.1</u>	- <u>18.1</u>	- <u>18.1</u>	- <u>18.1</u>
Compressor	opening assets	-	5.4	- 5.4	- 5.4	- 5.4	- 5.4	- 5.4	- 5.4	- 5.4	- 5.4	- 5.4
	additions	-	0.8	- 0.8	- 0.8	- 0.8	- 0.8	- 0.8	- 1.8	- 2.8	- 2.8	- 2.8
		-	<u>6.2</u>	- <u>6.2</u>	- <u>6.2</u>	- <u>6.2</u>	- <u>6.2</u>	- <u>6.2</u>	- <u>7.2</u>	- <u>8.2</u>	- <u>8.2</u>	- <u>8.2</u>
Equipment	opening assets	-	0.1	- 0.1	- 0.1	- 0.1	- 0.1	-	-	-	-	-
	additions	-	0.3	- 0.6	- 0.9	- 1.2	- 1.5	- 1.5	- 1.5	- 1.5	- 1.5	- 1.5
		-	<u>0.4</u>	- <u>0.7</u>	- <u>1.0</u>	- <u>1.3</u>	- <u>1.6</u>	- <u>1.5</u>	- <u>1.5</u>	- <u>1.5</u>	- <u>1.5</u>	- <u>1.5</u>

Appendix 3 Inch Entry Charges

Rate of Return	6.5%	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	Closing Assets															
		€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m															
Opening Asset Value		3																									
Additions	pipeline	-	7	-	-	-	-	-	-	-	-																
	compressor equipment																										
Operating Costs		0	0	0	0	0	0	0	0	0	0																
		----	----	----	----	----	----	----	----	----	----																
Total		3	7	0	0	0	0	0	0	0	0	-															
		----	----	----	----	----	----	----	----	----	----																
revenue requirement (€m)		10																									
revenue receivable 01/02 (€m)		2																									
unrecovered revenue requirement (€m)		9																									
to be recovered over the period 02/03 to 10/11																											
<u>Demand</u>																											
peak days GWh		319	-	43	56	53	49	48	46	45	45	45															
commodity GWh		73891	0	7765	10243	12846	12149	11933	11717	11501	11393	11393															
<table border="0" style="margin-left: auto; margin-right: auto;"> <tr> <td></td> <td></td> <td colspan="2" style="text-align: center;">cpi inflation</td> <td style="text-align: center;">2002/3</td> </tr> <tr> <td>capacity - c per peak day kWh</td> <td></td> <td style="border: 1px solid black; padding: 2px;">2.4120</td> <td>4.5%</td> <td style="border: 1px solid black; padding: 2px;">2.5205</td> </tr> <tr> <td>commodity - c per kWh</td> <td></td> <td style="border: 1px solid black; padding: 2px;">0.00116</td> <td>4.5%</td> <td style="border: 1px solid black; padding: 2px;">0.00121</td> </tr> </table>															cpi inflation		2002/3	capacity - c per peak day kWh		2.4120	4.5%	2.5205	commodity - c per kWh		0.00116	4.5%	0.00121
		cpi inflation		2002/3																							
capacity - c per peak day kWh		2.4120	4.5%	2.5205																							
commodity - c per kWh		0.00116	4.5%	0.00121																							

Note: All figures are in 2001/2002 monies

Appendix 4 Projected Demand and Supply

	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
	GWh	GWh	GWh	GWh	GWh	GWh	GWh	GWh	GWh	GWh
Capacity Bookings GWh per peak day										
existing powergen & ifi	108.8	103.9	103.9	115.2	115.2	115.2	115.2	115.2	115.2	97.9
new ccgt	-	-	-	-	18.3	18.3	18.3	36.6	54.9	73.1
Powergen/IFI	108.8	103.9	103.9	115.2	133.5	133.5	133.5	151.7	170.1	171.1
Core Market	109.2	118.3	126.1	147.5	155.6	163.6	171.8	180.9	188.7	196.4
National Bookings	218.0	222.2	230.1	262.6	289.1	297.1	305.3	332.7	358.8	367.4
mayo-galway	-	-	3.3	6.7	10.2	12.1	12.6	13.1	13.5	13.9
Onshore Bookings	218.0	222.2	226.7	255.9	278.9	284.9	292.8	319.5	345.3	353.6
<i>sources:</i>										
West Coast	-	-	3.3	48.8	100.9	99.0	98.6	98.0	80.4	68.3
Inch	33.3	42.5	56.1	52.6	48.8	47.6	46.5	45.3	44.7	44.7
Imported gas	184.7	179.6	174.0	154.4	129.1	138.3	147.7	176.2	220.2	240.6
Interconnector (incl. IoM)	184.7	184.6	179.0	160.9	137.9	147.1	156.5	187.1	231.1	251.5
Annual Demand GWh										
Power Stations & IFI	31370	33128	32815	30647	31376	33211	41352	43271	44695	45222
Core Market	18910	20061	21032	27498	28661	29815	31024	32335	33469	34592
National Demand	50281	53188	53847	58145	60037	63025	72376	75605	78164	79814
mayo-galway	0	0	-1116	-2249	-3390	-3856	-3874	-3917	-3917	-3917
Onshore demand	50281	53188	52731	55896	56647	59169	68502	71688	74246	75897
<i>sources:</i>										
West Coast gas	0	0	-1116	15743	32594	32099	31708	26298	20072	13414
Inch gas	6078	7765	10243	12846	12149	11933	11717	11501	11393	11393
Imported gas	44203	45423	43604	27307	11904	15137	25076	33888	42781	51089
Interconnector (incl. IoM)	44203	46793	44974	29088	14309	17542	27481	36871	45765	54072

West Coast flow	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
expected flows GWh	0	17992	35984	35955	35582	30216	23989	17332
less Mayo-Galway	<u>-1116</u>	<u>-2249</u>	<u>-3390</u>	<u>-3856</u>	<u>-3874</u>	<u>-3917</u>	<u>-3917</u>	<u>-3917</u>
net	<u>-1116</u>	<u>33735</u>	<u>32565</u>	<u>31726</u>	<u>26342</u>	<u>20072</u>	<u>15566</u>	<u>12410</u>
Mayo-Galway Capacity Bookings GWh		55.6	111.1	111.1	111.1	111.1	93.9	82.1
average load factor		89%	89%	89%	88%	74%	70%	58%

Notes:

- o Mayo-Galway capacity bookings begin at a high load factor but are assumed to fall to the market average over time.
- o Inch does not include storage/re-profiling as it was considered imprudent to include at time of calculation. Marathon take a different view and have updated their forecasts for re-profiling and storage
- o Mayo-Galway demand is excluded as the directives do not consider Mayo-Galway. The cost of the Mayo-Galway pipe is also excluded.

Appendix 5 Projected Capital Expenditure

<u>Projected Spend</u>	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m
<u>Onshore</u>										
pipes	325.6	78.4	14.6	10.3	10.3	10.3	10.4	10.3	10.3	10.3
compressor equipment/it	3.3	3.8	3.4	2.6	2.5	2.4	2.4	2.4	2.4	2.4
<u>Inch</u>										
compressor/pipes		6.7								
<u>Interconnectors</u>										
pipes	239.6	19.5	-	-	-	25.0	25.0	-	-	-
compressor equipment/it	16.9	0.0	-	-	-	-	19.8	19.8	-	-
	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
total	586.9	109.8	19.4	14.4	14.3	39.2	59.1	34.0	14.3	14.3
	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----

<u>Onshore</u>	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m
Pipeline to the West	303.2	54.3	-	-	-	-	-	-	-	-
Connections, reinforcement etc.	22.4	24.1	14.6	10.3	10.3	10.3	10.4	10.3	10.3	10.3

Note: All figures are in 2001/2002 monies

Appendix 6 Operating Costs

	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m
onshore										
management and network operations	11.313	12.477	12.204	11.685	12.643	12.086	12.298	12.520	12.749	12.941
finance, it, hr, facilities, insurance, etc	7.843	8.288	8.946	9.396	9.563	9.706	9.852	10.000	10.150	10.302
rates	<u>6.617</u>	<u>8.893</u>	<u>9.429</u>	<u>10.027</u>	<u>10.468</u>	<u>10.625</u>	<u>10.784</u>	<u>10.946</u>	<u>11.110</u>	<u>11.277</u>
onshore costs	<u>25.774</u>	<u>29.658</u>	<u>30.580</u>	<u>31.107</u>	<u>32.674</u>	<u>32.417</u>	<u>32.934</u>	<u>33.465</u>	<u>34.009</u>	<u>34.519</u>
inch costs	0.008	0.008	0.200	0.200	0.200	0.200	0.200	0.200	0.200	0.200
interconnector costs										
management and interconnector ops	4.990	7.405	7.208	7.238	6.428	7.195	7.300	6.790	8.427	8.553
rates uk	<u>4.847</u>	<u>6.549</u>	<u>6.648</u>	<u>6.747</u>	<u>6.849</u>	<u>6.951</u>	<u>7.894</u>	<u>9.426</u>	<u>10.137</u>	<u>10.289</u>
interconnector costs	<u>9.837</u>	<u>13.954</u>	<u>13.856</u>	<u>13.986</u>	<u>13.277</u>	<u>14.146</u>	<u>15.194</u>	<u>16.216</u>	<u>18.564</u>	<u>18.842</u>
Total Operating Costs	35.611	43.613	44.436	45.093	45.950	46.563	48.128	49.681	52.573	53.361

Note: All figures are in 2001/2002 monies

