

BGE Transmission Tariffs for Gas Year 2001/2002

This file details the information used by BGE Transmission in calculating the tariffs for use of the BGE Transmission network from 1st October 2001 to 30th September 2002, in compliance with the Ministerial Directives.

The assumptions used are those of BGE Transmission.

Sheets:

[Tariffs] Contains the 2001/2 Tariffs.

[Onshore Tariff] Calculates the 2001/2 Onshore Tariff

[Inch Tariff] Calculates the 2001/2 Inch Tariff

[IC Tariff] Calculates the 2001/2 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 for Gas Year 2001/2002

	€	
<u>Onshore Network</u>		
capacity	273.964	per peak day MWh
commodity	0.1382	per MWh
<u>Interconnectors</u>		
capacity	306.946	per peak day MWh
commodity	0.1689	per MWh
<u>Inch</u>		
capacity	36.979	per peak day MWh
commodity	0.0225	per MWh

<u>Illustrative Transmission Transportation Costs</u>		
	€	
<u>Transmission Transportation Cost of UK Gas</u>		
capacity	580.910	per peak day MWh
commodity	0.3071	per MWh
<u>Transmission Transportation Cost of Inch Gas</u>		
capacity	310.943	per peak day MWh
commodity	0.1607	per MWh

Onshore Exit 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		277										
Additions	pipeline	342	84	16	25	10	10	10	10	10	10	
	compressor	-	-	-	-	-	-	-	-	-	-	
	equipment	3	4	3	3	3	2	2	2	2	2	
Operating Costs		26	30	31	31	33	32	33	33	34	35	
		----	----	----	----	----	----	----	----	----	----	
Total		648	117	50	59	46	45	46	46	47	47	- 583
		----	----	----	----	----	----	----	----	----	----	
revenue requirement (€m)		724										
<u>Demand</u>												
peak days GWh	2094	221	222	241	256	279	285	293	320	345	354	
commodity GWh	461207	50281	53188	52731	55896	56647	59169	68502	71688	74246	75897	
capacity - c per peak day kWh	31.1323	27.3964										
commodity - c per kWh	0.01571	0.01382										

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		439.0	784.4	871.7	891.2	919.1	931.9	944.7	957.6	970.3	983.1	995.9
Acc Dep		- 162.5	- 184.6	- 209.3	- 234.6	- 260.0	- 285.3	- 310.6	- 335.9	- 361.2	- 386.8	- 412.6
		<u>276.6</u>	<u>599.7</u>	<u>662.4</u>	<u>656.6</u>	<u>659.1</u>	<u>646.6</u>	<u>634.1</u>	<u>621.7</u>	<u>609.1</u>	<u>596.4</u>	<u>583.4</u>
Pipeline	cost	432.9	775.0	858.5	874.7	900.0	910.3	920.7	931.1	941.4	951.8	962.1
	acc dep	- 155.6	- 175.0	- 196.5	- 218.4	- 240.9	- 263.7	- 286.7	- 310.0	- 333.5	- 357.3	- 381.4
		<u>277.3</u>	<u>599.9</u>	<u>662.0</u>	<u>656.3</u>	<u>659.1</u>	<u>646.7</u>	<u>634.0</u>	<u>621.1</u>	<u>607.9</u>	<u>594.5</u>	<u>580.7</u>
Compressor	cost	- 13.9	- 13.9	- 13.9	- 13.9	- 13.9	- 13.9	- 13.9	- 13.9	- 13.9	- 13.9	- 13.9
	acc dep	<u>4.7</u>	<u>5.4</u>	<u>6.1</u>	<u>6.8</u>	<u>7.5</u>	<u>8.2</u>	<u>8.9</u>	<u>9.6</u>	<u>10.3</u>	<u>11.0</u>	<u>11.7</u>
		<u>- 9.2</u>	<u>- 8.5</u>	<u>- 7.8</u>	<u>- 7.1</u>	<u>- 6.4</u>	<u>- 5.7</u>	<u>- 5.0</u>	<u>- 4.3</u>	<u>- 3.7</u>	<u>- 3.0</u>	<u>- 2.3</u>
Equipment	cost	20.0	23.3	27.1	30.4	33.0	35.5	38.0	40.4	42.8	45.3	47.7
	acc dep	- 11.5	- 15.0	- 18.9	- 23.0	- 26.6	- 29.9	- 32.8	- 35.5	- 37.9	- 40.4	- 42.8
		<u>8.5</u>	<u>8.3</u>	<u>8.2</u>	<u>7.4</u>	<u>6.4</u>	<u>5.6</u>	<u>5.2</u>	<u>4.9</u>	<u>4.9</u>	<u>4.9</u>	<u>4.9</u>

<u>Depreciation</u>												
Total Charge	pipeline	-	19.4	- 21.5	- 21.9	- 22.5	- 22.8	- 23.0	- 23.3	- 23.5	- 23.8	- 24.1
	compressor		0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
	equipment	-	3.5	- 3.8	- 4.2	- 3.6	- 3.3	- 2.9	- 2.7	- 2.5	- 2.5	- 2.4
Total Charge		<u>-</u>	<u>22.2</u>	<u>- 24.6</u>	<u>- 25.4</u>	<u>- 25.4</u>	<u>- 25.3</u>	<u>- 25.3</u>	<u>- 25.3</u>	<u>- 25.3</u>	<u>- 25.6</u>	<u>- 25.8</u>
Pipeline	opening assets	-	10.8	- 10.8	- 10.8	- 10.8	- 10.8	- 10.8	- 10.8	- 10.8	- 10.8	- 10.8
	additions	-	8.6	- 10.6	- 11.0	- 11.7	- 11.9	- 12.2	- 12.5	- 12.7	- 13.0	- 13.2
		<u>-</u>	<u>19.4</u>	<u>- 21.5</u>	<u>- 21.9</u>	<u>- 22.5</u>	<u>- 22.8</u>	<u>- 23.0</u>	<u>- 23.3</u>	<u>- 23.5</u>	<u>- 23.8</u>	<u>- 24.1</u>
Compressor	opening assets		0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
	additions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
		<u>0.7</u>	<u>0.7</u>	<u>0.7</u>	<u>0.7</u>	<u>0.7</u>	<u>0.7</u>	<u>0.7</u>	<u>0.7</u>	<u>0.7</u>	<u>0.7</u>	<u>0.7</u>
Equipment	opening assets	-	2.8	- 2.4	- 2.1	- 1.0	- 0.2	-	-	-	-	-
	additions	-	0.7	- 1.4	- 2.1	- 2.6	- 3.1	- 2.9	- 2.7	- 2.5	- 2.5	- 2.4
		<u>-</u>	<u>3.5</u>	<u>- 3.8</u>	<u>- 4.2</u>	<u>- 3.6</u>	<u>- 3.3</u>	<u>- 2.9</u>	<u>- 2.7</u>	<u>- 2.5</u>	<u>- 2.5</u>	<u>- 2.4</u>

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											
Operating Costs		0	0	0	-	-	-	-	-	-	-	
Total		3	0	0	-	-	-	-	-	-	-	-
revenue requirement (€m)		3										
<u>Demand</u>												
peak days GWh	57	25	20	16	-	-	-	-	-	-	-	
commodity GWh	10430	4544	3595	2847	0	0	0	0	0	0	0	
capacity - c per peak day kWh	4.2022	3.6979										
commodity - c per kWh	0.00256	0.00225										

Note: All figures are in 2001/2002 monies

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 Assets
		€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m
Opening Asset Value		425										
Additions	pipeline	240	19	-	-	-	12	37	-	-	-	
	compressor	17	0	-	-	5	14	-	5	14	-	
	equipment	1	1	1	1	1	1	1	1	1	1	
Operating Costs		12	14	14	15	15	16	16	17	19	19	
		----	----	----	----	----	----	----	----	----	----	
Total		695	34	15	17	21	44	55	23	34	21	- 548
		----	----	----	----	----	----	----	----	----	----	
revenue requirement (€m)		597										
<u>Demand</u>												
peak days GWh	1540	196	202	118	151	178	186	211	251	284	304	
commodity GWh	310911	45736	49593	15016	22190	24456	32810	48387	56121	61836	65926	
capacity - c per peak day kWh	34.8803	30.6946										
commodity - c per kWh	0.01919	0.01689										

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	781.6	802.2	803.6	805.1	811.3	839.3	878.2	884.4	899.8	901.3
Acc Dep		- 98.6	- 121.5	- 145.3	- 169.3	- 193.6	- 218.4	- 244.2	- 270.9	- 297.9	- 325.5	- 353.1
		<u>425.1</u>	<u>660.1</u>	<u>656.9</u>	<u>634.3</u>	<u>611.5</u>	<u>592.9</u>	<u>595.0</u>	<u>607.2</u>	<u>586.5</u>	<u>574.3</u>	<u>548.2</u>
Pipeline	cost	415.9	655.5	674.5	674.5	674.5	674.5	687.0	724.4	724.4	724.4	724.4
	acc dep	- 80.4	- 96.8	- 113.6	- 130.4	- 147.3	- 164.1	- 181.2	- 199.3	- 217.4	- 235.5	- 253.6
		<u>335.5</u>	<u>558.7</u>	<u>560.9</u>	<u>544.1</u>	<u>527.2</u>	<u>510.4</u>	<u>505.7</u>	<u>525.1</u>	<u>507.0</u>	<u>488.9</u>	<u>470.8</u>
Compressor	cost	107.4	124.3	124.3	124.3	124.3	129.0	143.0	143.0	147.8	161.7	161.7
	acc dep	- 18.2	- 24.4	- 30.6	- 36.8	- 43.0	- 49.5	- 56.6	- 63.8	- 71.2	- 79.3	- 87.4
		<u>89.2</u>	<u>99.9</u>	<u>93.7</u>	<u>87.4</u>	<u>81.2</u>	<u>79.5</u>	<u>86.4</u>	<u>79.2</u>	<u>76.6</u>	<u>82.5</u>	<u>74.4</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	- 17.1	- 18.1	- 18.1	- 18.1	- 18.1
	compressor	-	6.2	- 6.2	- 6.2	- 6.2	- 6.5	- 7.2	- 7.2	- 7.4	- 8.1	- 8.1
	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>24.8</u>	- <u>25.8</u>	- <u>26.7</u>	- <u>26.9</u>	- <u>27.6</u>	- <u>27.6</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	- 6.8	- 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>17.1</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	- 1.1	- 1.8	- 1.8	- 2.0	- 2.7	- 2.7
		-	<u>6.2</u>	- <u>6.2</u>	- <u>6.2</u>	- <u>6.2</u>	- <u>6.5</u>	- <u>7.2</u>	- <u>7.2</u>	- <u>7.4</u>	- <u>8.1</u>	- <u>8.1</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>

BGE Transmission Projected Capacity Bookings and Annual Demand 2001 - 2011

	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	111.8	103.9	103.9	115.2	115.2	115.2	115.2	115.2	115.2	97.9
new ccgt	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18.3</u>	<u>18.3</u>	<u>18.3</u>	<u>36.6</u>	<u>54.9</u>	<u>73.1</u>
Powergen/IFI	111.8	103.9	103.9	115.2	133.5	133.5	133.5	151.7	170.1	171.1
Core Market	<u>109.2</u>	<u>118.3</u>	<u>140.4</u>	<u>147.5</u>	<u>155.6</u>	<u>163.6</u>	<u>171.8</u>	<u>180.9</u>	<u>188.7</u>	<u>196.4</u>
National Bookings	221.0	222.2	244.3	262.6	289.1	297.1	305.3	332.7	358.8	367.4
mayo-galway	<u>-</u>	<u>-</u>	<u>3.3</u>	<u>6.7</u>	<u>10.2</u>	<u>12.1</u>	<u>12.6</u>	<u>13.1</u>	<u>13.5</u>	<u>13.9</u>
Onshore Bookings	221.0	222.2	241.0	255.9	278.9	284.9	292.8	319.5	345.3	353.6
<i>sources:</i>										
West Coast	-	-	107.8	104.4	100.9	99.0	81.3	69.0	61.1	49.6
Inch	<u>24.9</u>	<u>19.7</u>	<u>15.6</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Imported gas	<u>196.1</u>	<u>202.5</u>	<u>117.6</u>	<u>151.5</u>	<u>177.9</u>	<u>186.0</u>	<u>211.4</u>	<u>250.5</u>	<u>284.2</u>	<u>304.0</u>

Annual Demand GWh										
Power Stations & IFI	31370	33128	32815	30647	31376	33211	41352	43271	44695	45222
Core Market	<u>18910</u>	<u>20061</u>	<u>21032</u>	<u>27498</u>	<u>28661</u>	<u>29815</u>	<u>31024</u>	<u>32335</u>	<u>33469</u>	<u>34592</u>
National Demand	50281	53188	53847	58145	60037	63025	72376	75605	78164	79814
mayo-galway	<u>0</u>	<u>0</u>	<u>-1116</u>	<u>-2249</u>	<u>-3390</u>	<u>-3856</u>	<u>-3874</u>	<u>-3917</u>	<u>-3917</u>	<u>-3917</u>
Onshore demand	50281	53188	52731	55896	56647	59169	68502	71688	74246	75897
<i>sources:</i>										
West Coast gas	0	0	34868	33706	32192	26360	20115	15566	12410	9971
Inch gas	<u>4544</u>	<u>3595</u>	<u>2847</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Imported gas	<u>45736</u>	<u>49593</u>	<u>15016</u>	<u>22190</u>	<u>24456</u>	<u>32810</u>	<u>48387</u>	<u>56121</u>	<u>61836</u>	<u>65926</u>

West Coast flow	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
expected flows GWh	35984	35955	35582	30216	23989	19484	16327	13888
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>34868</u>	<u>33706</u>	<u>32192</u>	<u>26360</u>	<u>20115</u>	<u>15566</u>	<u>12410</u>	<u>9971</u>
Mayo-Galway Capacity Bookings GWh	111.1	111.1	111.1	111.1	93.9	82.1	74.6	63.4
average load factor	89%	89%	88%	74%	70%	65%	60%	60%

<u>Mayo-Galway Demand</u>								
peak GWh	3.3	6.7	10.2	12.1	12.6	13.1	13.5	13.9
annual GWh	1,116	2,249	3,390	3,856	3,874	3,917	3,917	3,917

Notes:

- o Mayo-Galway capacity bookings begin at a high load factor but are assumed to fall to the market average over time.
- o The West Coast gas includes only for Corrib. The Corrib partners believe that there will also be new finds.
- 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.
- o Mayo-Galway demand is excluded as the directives do not consider Mayo-Galway. The cost of the Mayo-Galway pipe is also excluded.

BGE Transmission 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
<u>onshore</u>										
management and network operations	11.313	12.477	12.204	11.693	12.651	12.094	12.307	12.528	12.758	12.949
finance, it, hr, facilities, insurance, training, regulator	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>31.115</u>	<u>32.682</u>	<u>32.425</u>	<u>32.943</u>	<u>33.473</u>	<u>34.017</u>	<u>34.528</u>
inch costs	0.008	0.008	0.008	-	-	-	-	-	-	-
<u>interconnector costs</u>										
management and interconnector operations	7.269	7.405	7.208	8.692	7.883	8.650	8.527	8.018	9.600	9.744
rates uk	<u>4.847</u>	<u>6.549</u>	<u>6.648</u>	<u>6.747</u>	<u>6.849</u>	<u>7.082</u>	<u>7.928</u>	<u>9.111</u>	<u>9.385</u>	<u>9.525</u>
interconnector costs	<u>12.115</u>	<u>13.954</u>	<u>13.856</u>	<u>15.440</u>	<u>14.731</u>	<u>15.733</u>	<u>16.455</u>	<u>17.128</u>	<u>18.985</u>	<u>19.270</u>
Total Operating Costs	37.889	43.613	44.436	46.555	47.413	48.158	49.397	50.602	53.002	53.797

Note: All figures are in 2001/2002 monies

Transmission - 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	342.0	83.6	16.1	25.3	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>Interconnectors</u>										
pipes	239.6	19.0	-	-	-	12.5	37.4	-	-	-
compressor equipment/it	16.9	0.0	-	-	4.8	14.0	-	4.8	14.0	-
	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
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total	603.3	107.9	20.9	29.4	19.1	40.7	51.7	19.0	28.2	14.3
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<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	304.2	55.3	-	-	-	-	-	-	-	-
Connections, reinforcement etc.	37.8	28.3	16.1	25.3	10.3	10.3	10.4	10.3	10.3	10.3

Note: All figures are in 2001/2002 monies

