

FORECAST ANNUAL RECONCILIATION PAYMENT

Q4 GAS YEAR 2023/2024



Forecast Annual Reconciliation Payments

- GMO NI are providing information on the actual licence revenue collected in the gas year to date and an estimate of the annual reconciliation payment due to/from Shippers to aid Shipper planning and budgeting during the gas year.
- This information is published on the GMO NI website in the month following each gas year quarter and is based on the following assumptions.
- **Assumptions:**
 - Forecast Required Revenue (FRR) of TSOs equal Actual Required Revenue (ARR) of TSOs*
 - *** Mutual Energy have provided an indicative ARR for their gas TSO businesses, following Q4, which forecasts their overall costs to be approximately £1.9m below the FRR. The FRR has not been updated to reflect this estimate in the following slide.**

Forecast Annual Reconciliation Payments

GY2023/24	Q1	Q2	Q3	Q4	Total
	£'000	£'000	£'000	£'000	£'000
Forecast Licence revenue	20,119	24,256	18,108	17,703	80,187
Actual Licence revenue	18,009	20,138	18,471	18,996	75,614

GY2023/24	Q1	Q2	Q3	Q4	Total
	£'000	£'000	£'000	£'000	£'000
	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	
Licence revenue	18,009	20,138	18,471	18,996	75,614
FRR					80,187
Total Reconciliation Estimate to / (from) Shippers					(4,572)

As previously mentioned in Shipper Forums, the under recovery is primarily driven by the underutilisation of Daily Entry Capacity products over the Winter period compared to what was submitted in Shippers' forecasts and used in subsequent tariff calculations.

Forecast Annual Reconciliation Payments

GY2023/24	Q1	Q2	Q3	Q4	Total
	£'000	£'000	£'000	£'000	£'000
Actual Licence Revenue relating to overrun charges	22	-	2.0	1.0	25
Actual Licence Revenue (incl. VAT)	20,943	23,282	21,556	22,184	87,965