

**Modification 616s - a new paragraph 10 of EID B for
capacity conversion and other changes to EID B**

Text Commentary

Paragraph	Explanation
A new paragraph 10 of EID B	
Paragraph 10.1.1	This summarises capacity conversion.
Paragraph 10.1.2	These are the definitions used.
Paragraph 10.2.1	This sets out what a User must include in its request to convert capacity.
Paragraph 10.2.2	This describes what will comprise a valid request to convert. A User may convert its existing capacity in blocks of a month comprising the same amount of capacity each day in the month. A User may convert against bundled capacity acquired by it in an auction.
Paragraph 10.2.3	This explains when a request to convert may be withdrawn.
Paragraph 10.3.1	This explains when National Grid will accept/reject an application.
Paragraph 10.4.1(a)	This describes what conversion means. A User's capacity position is converted from one of mis-match, resulting from the addition of interconnection point capacity on both sides of the interconnection point to the User's existing capacity on one side of the interconnection point, to one of a matching position on both sides of the interconnection point by the reduction of the User's existing capacity.
Paragraph 10.4.1(b)	This describes the effect of capacity conversion on the tariff payable by the User for its bundled capacity.
Paragraph 10.4.2	This describes how the credit with which National Grid provides the shipper converting its capacity will reduce Relevant Capacity Revenues.
Paragraph 10.4.3	This describes how and the extent to which Relevant Capacity Revenues are replaced with the proceeds from the sale of converted capacity.
Other changes to EID B	
Paragraph 1.1.1	This reflects the addition of capacity conversion in the introduction.
Paragraph 1.1.2 (j)	This includes capacity conversion in the list of issues dealt with in EID B.

Paragraph 1.1.3	This provision should also apply to conversion.
Paragraph 1.8.2	This corrects an existing erroneous cross reference and is unrelated to capacity conversion.
Paragraph 3.1.1(a)	This amendment includes converted capacity in the capacity which is allocable in an auction <u>as the capacity which is offered first.</u>
Paragraph 6.3.2(b)(ii)	This corrects an existing typo and is unrelated to capacity conversion.

Deleted: It also reflects the fact that eligible technical capacity will be aggregated with any capacities referred to in (b) to (e).