

EU CODES - MODIFICATION 0500 - CORE LEGAL DRAFTING - EXPLANATORY TABLE

European Interconnection Document (EID)

Notes

- 1. The table is based on the legal drafting for Modification 0500 submitted by NGG to the Joint Office on 07 November 2014 (Final Text).**
- 2. A number of the European Modifications make discrete changes to general rules in the UNC, and apply generally and not just in relation to interconnection points. These are modifications 0461 (change to the Gas Day), 0489 (information provision) and 0494 (amendments to the Imbalance Charge). These modifications are made in the Transportation Principal Document (TPD) and will stand as they are.**
- 3. The remaining European Modifications only apply in relation to Interconnection Points. In order to avoid complicating the existing TPD rules around System Capacity and Nominations at Aggregate System Entry Points and Connected System Exit Points, and to ring fence the new rules for Interconnection Points, modifications 0493, 0500 and 0510 will be implemented by creating a new part of the UNC called the European Interconnection Document (EID). The intention is the EID will sit alongside the other parts of the Code, i.e. TPD, OAD, IGTAD (subject to approval of the Project Nexus modifications), TD, MR and GT.**
- 4. The EID will contain only those rules for Interconnection Points which are different from or additional to the rules in the TPD. Except where provided in the EID, the rules in the TPD will apply to Interconnection Points in the same way as other System Points.**

EID	Topic	BRDs	Explanation
EID SECTION A			
1.1	General		Provides a general introduction to the EID.
1.2	Interconnection Agreement		Provides a definition of Interconnection Agreement .
1.3.1	Physical flows at Interconnection Points		An Interconnection Agreement will specify whether the physical flow of gas is permitted in both directions or in one direction only.
1.3.2 -1.3.3	Physical flows at Interconnection Points		Certain provisions of the EID apply by reference to whether the physical flow of gas at an Interconnection Point is permitted in both directions or in one direction only.
2.1.1	Definitions of Interconnector and Interconnection Point		Provides a definition of Interconnector . Provides a definition of Interconnection Point .
2.1.2	Definitions in relation to an Interconnection Point		Provides definitions in relation to an Interconnection Point. Definitions include: <ul style="list-style-type: none"> ▪ Interconnected System ▪ Adjacent TSO ▪ Transmission System Operator ▪ IS User ▪ Adjacent TSO Rulebook
2.2.1 -2.2.3	IP ASEP		Provides definition of an IP ASEP . An Aggregate System Entry Point may not comprise both an Interconnection Point and a System Entry Point which is not an Interconnection Point.

EID	Topic	BRDs	Explanation
2.2.4	Binary IP ASEP		Defines a Binary IP ASEP as an IP ASEP that comprises two or more ASEPs. Currently no IP ASEP comprises more than two Interconnection Points.
2.3	Direction		Defines Direction as the commercial flow of gas at an Interconnection Point. Describes what Direction denotes in respect of capacity, nominations and allocation.
2.4	Users		Defines a User . User must notify National Grid NTS before it can hold Interconnection Point Capacity or nominate gas for offtake or delivery at a particular Interconnection Point.
2.5	Other interpretation		Provides further interpretation and definitions. Definitions include: <ul style="list-style-type: none"> ▪ ENTSOG ▪ EID Implementation Date
3.1.1 -3.1.3	Relationships		Neither TSO acts as an agent for the other TSO in any relationship with Users or IS Users. Nothing in the Code confers any rights or obligations on a User, or any rights or obligations as between National Grid NTS and a User, in respect of an Interconnected System. Nothing in any Adjacent TSO Rulebook binds National Grid NTS or creates any rights or obligations as between National Grid NTS and any User or IS User.

EID	Topic	BRDs	Explanation
3.2.1 (a) and (b)	Compatibility with Adjacent TSO Rulebook		<p>Notwithstanding the incompatibility of a provision in the Adjacent TSO Rulebook, National Grid NTS is entitled to implement the incompatible provision.</p> <p>Parties are able to propose a Code Modification to remove such incompatibility.</p>
3.2.1 (c) and (d)	Compatibility with Adjacent TSO Rulebook		<p>If in the opinion of any Party a proposed Code Modification is incompatible with the Adjacent TSO Rulebook, that Party may require that the Modification contains a statement to that effect.</p> <p>If an amendment or proposed amendment of the Adjacent TSO Rulebook would (in the opinion of any Party) result in the provisions of the Adjacent TSO Rulebook becoming incompatible with the relevant provision, that Party may propose a Code Modification to remove such incompatibility.</p>
3.2.2	Adjacent TSO information and determinations assumed to be correct and are definitive.		<p>Adjacent TSO's information or determinations shall be deemed correct and definitive.</p> <p>No User may dispute a provision of the EID based on any question or dispute in relation to the Adjacent TSO Rulebook.</p>
3.3	Information		<p>Deals with information disclosed by National Grid NTS to an Adjacent TSO and information received by a Party from an Adjacent TSO.</p>
3.4	Code Communications		<p>Communication to be made by National Grid NTS or a User under the EID is a Code Communication.</p> <p>Code Communications under the EID are to be given as UK Link Communications.</p>

EID	Topic	BRDs	Explanation
3.5	Other Provisions of TPD		Incorporates certain boilerplate provisions contained in the TPD in relation to force majeure and costs and expenses.
EID SECTION B			
1.1	Introduction		Provides an introduction to the EID Section B.
1.2	One way physical flow		Where physical flow is only permitted in one direction, Firm Interconnection Point Capacity may be held only in the forward Direction, but Interruptible Interconnection Point Capacity may be held in both the forward and the reverse Directions.
1.3.1	Definitions		<p>Provides definitions, including:</p> <ul style="list-style-type: none"> ▪ Interconnection Point Capacity ▪ Interconnected System Capacity <p>Interconnected System Capacity is Equivalent to Interconnection Point Capacity at an Interconnection Point and of a given Direction, class, duration, period and (where applicable) amount, where such Interconnected System Capacity is at the same Interconnection Point and of or for the same Direction, class, duration, period and (where applicable) amount.</p>
1.3.2	Interconnection Point Capacity		Interconnection Point Capacity can either be Bundled or Unbundled .
1.4	Firm and Interruptible Interconnection Point Capacity		<p>Provides the definitions of:</p> <ul style="list-style-type: none"> ▪ Firm Interconnection Point Capacity ▪ Interruptible Interconnection Point

EID	Topic	BRDs	Explanation
			Capacity
1.5.1 to 1.5.2	Capacity Transactions		<p>Describes a capacity transaction as the Withholding, allocation in an Auction, Surrender, Withdrawal or designation as Bundled of an amount of Interconnection Point Capacity.</p> <p>A capacity transaction must be the same for each Day in the period to which the transaction relates</p>
1.5.3 to 1.5.5	Capacity Durations and Periods		Defines Capacity Durations and Capacity Periods .
1.6.1 to 1.6.6	Capacity Platform Operator		<p>Sets out the activities that PRISMA will perform as the Capacity Platform Operator.</p> <p>Each Party must make arrangements with PRISMA in respect of the services offered by PRISMA.</p> <p>A User will be unable to acquire, surrender or transfer Interconnection Point Capacity unless it has made the necessary arrangements with PRISMA.</p> <p>Nothing in the Code creates any relationship between a Party and PRISMA.</p>
1.6.7	Confirmation of User's status		<p>If requested by PRISMA. National Grid NTS will confirm to PRISMA that a person is a User, or is authorised to represent a User.</p> <p>A User that wishes National Grid NTS to inform PRISMA of an individual ceasing to be authorised to represent the User must comply with National Grid NTS's notification requirements.</p>
1.6.8	PRISMA's rules and processes		The rules and processes established by PRISMA at each Interconnection Point are the rules that govern

EID	Topic	BRDs	Explanation
			<p>activities carried out by PRISMA and the Parties are bound by the application of such rules and processes.</p> <p>No Party is liable to another Party for non-compliance with the rules and processes established by PRISMA.</p> <p>The provisions of the EID which relate to the activities carried out by PRISMA reflect PRISMA's rules and processes. However, such provisions are included in the EID for descriptive purposes only.</p> <p>In the case of conflict between provisions in the EID and PRISMA's rules and processes, the latter shall prevail.</p> <p>In the case of such a conflict, the Parties shall consider whether a Code Modification should be proposed to remove such conflict, or whether to seek a modification PRISMA's rules and processes.</p>
1.6.9	PRISMA's rules and processes		Sets out the activities that are governed by and determined under PRISMA's rules and processes and not by the Code.
1.6.10 to 1.6.12	PRISMA acts as agent for National Grid NTS for certain communications		<p>Sets out for which communications PRISMA acts as agent for National Grid NTS. These activities include.</p> <p>National Grid NTS does not act as agent of PRISMA for any purposes</p>
1.6.13	National Grid's role in connection with Auctions of Interconnection Point Capacity		Sets out what National Grid NTS will do to assist PRISMA (e.g. sending, receiving and registering information) in respect of:

EID	Topic	BRDs	Explanation
			<ul style="list-style-type: none"> ▪ Auctions of Interconnection Point Capacity; ▪ Surrenders of Interconnection Point Capacity; and ▪ System Capacity Transfers in respect of Interconnection Point Capacity.
1.6.14	Disclosure of information by Party to PRISMA		Nothing in TPD Section V will prevent the disclosure of information by a Party to PRISMA that is envisaged by the EID or PRISMA's rules and processes.
1.6.15	Disclosure of information by PRISMA to Party		Where pursuant to the EID or under PRISMA's rules and processes a Party receives information from PRISMA, such information shall be treated as Protected Information for the purposes of the Code.
1.7	Provisions of TPD which do not apply		Sets out the provisions of the TPD which do not apply in relation to Interconnection Point Capacity.
2.1.1	Auctions - general		Users may only be registered as holding Interconnection Point Capacity pursuant to an Auction.
2.1.2	Auctions of Bundled and Unbundled Capacity		Bundled and Unbundled Interconnection Point Capacity will be allocated in separate Auctions held simultaneously.
2.1.3	Binary IP ASEP Auctions.		Linked Auctions will be held in relation to a Binary IP ASEP.
2.1.4 and 2.1.5	Auctions - definitions		Provides the definitions relation to Auctions. Definitions include: <ul style="list-style-type: none"> ▪ Auction

EID	Topic	BRDs	Explanation
			<ul style="list-style-type: none"> ▪ Auction Quantity ▪ Reserve Price ▪ Starting Price ▪ Clearing Price ▪ Auction Allocated Quantity
2.1.6	[CWCW instructed to leave blank for time being]		
2.1.7	[CWCW instructed to leave blank for time being]		
2.2.1	Bundled Auctions - Equivalent Interconnected System Capacity		<p>In an Auction of Bundled Interconnection Point Capacity:</p> <ul style="list-style-type: none"> ▪ The Auction also operates as an auction of Equivalent Interconnected System Capacity ▪ A Bid also operates as a bid to acquire Equivalent Interconnected System Capacity ▪ A Bid Price or Bid Round Price comprises both a price for Interconnection Point Capacity and a price for Interconnected System Capacity
2.2.2	Separate contractual effect of a Bundled Bid		<p>The acceptance of a Bid in a Bundled Auction has separate contractual effect in respect of:</p> <ul style="list-style-type: none"> ▪ Interconnection Point Capacity; and ▪ Interconnected System Capacity.
2.2.3	Sharing of Auction Premium		<p>For Bundled Auctions the TSOs will agree the percentage shares in which any Auction Premium</p>

EID	Topic	BRDs	Explanation
			will be shared between them.
2.2.4	Applicable Daily Rate		Amounts of Interconnection Point Capacity and Interconnected System Capacity may be expressed either in kWh/Day or in kWh/hour.
2.3	Prices and currency conversion		Sets out how Auction prices will be converted from a price expressed in pounds sterling to a price expressed in euro (if required).
2.4	Auctions to be held		<p>Sets out the Auctions that will be held in each Auction Year.</p> <p>Annual Yearly Auctions, Annual Quarterly Auctions and Rolling Monthly Auctions shall be held as Ascending Clock Auctions.</p> <p>Rolling Day-Ahead Auctions, Interruptible Rolling Day-Ahead Auctions and Within-Day Auctions shall be held as Uniform Price Auctions.</p>
2.5	Credit requirements		National Grid may direct PRISMA to refuse a User's Bid if the User does not comply with the credit requirements set out in TPD Section V.
3.1.1	Allocable Interconnection Point Capacity		<p>Defines Allocable Interconnection Point Capacity as being the aggregate amount of Interconnection Point Capacity, which is comprised of:</p> <ul style="list-style-type: none"> ▪ Eligible Technical Interconnection Point Capacity; ▪ Subject to a Surrender Offer; ▪ Subject to a Withdrawal Offer; or

EID	Topic	BRDs	Explanation
			<ul style="list-style-type: none"> ▪ Additional Interconnection Point Capacity.
3.1.2 -3.1.3	Allocable Interconnection Point Capacity		Allocable Interconnection Point Capacity will be divided into Bundled and Unbundled Interconnection Point Capacity. The aggregate amount of such capacity will determine the Auction Quantity for an Auction.
3.1.4	Limit on the allocation of Unbundled Interconnection Point Capacity		Sets out the limit on the amount of Unbundled Interconnection Point Capacity which may be allocated in respect of any Gas Year (other than Gas Year Y+1).
3.1.5	Aggregate AISC		Defines Aggregate AISC In relation to a Binary IP ASEP and an Auction.
3.2.1	Technical Interconnection Point Capacity		Provides definitions, including <ul style="list-style-type: none"> ▪ Technical Interconnection Point Capacity ▪ Eligible Technical Interconnection Point Capacity ▪ Sold Technical Interconnection Point Capacity
3.2.2	Withholding Unsold Technical Interconnection Point Capacity		Sets out in relation to an Annual Yearly Auction, the amount of the Unsold Technical Interconnection Point Capacity that must be withheld when determining the Eligible Technical Interconnection Point Capacity.
3.3	Additional Capacity		Provides a definition of Additional Interconnection Point Capacity being the amount of Firm Interconnection Point Capacity that National NTS may (at its discretion) make available.

EID	Topic	BRDs	Explanation
3.4	Allocable Interconnected System Capacity		Provides a definition of the Allocable Interconnected System Capacity being the amount of Equivalent Interconnected System Capacity which is available for allocation in that Auction.
3.5	Allocation of Interconnection Point Capacity		Sets out the priority in which categories of Interconnection Point Capacity shall be treated as allocated. Interconnection Point Capacity will be allocated to a Bundled Auction in priority to an Unbundled Auction.
3.6	Interruptible Interconnection Point Capacity		Defines the Auction Quantity for the purposes of an Interruptible Rolling Day Ahead Auction.
4.1	Ascending Clock Auctions		Sets out the basis on which Ascending Clock Auctions will be held Provides definitions in relation to an Ascending Clock Auction. Definitions include: <ul style="list-style-type: none"> ▪ Bid Round ▪ Aggregate Bid Quantity ▪ FTU Bid Round ▪ LPS Bid Round ▪ SPS Bid Round
4.2	Price Steps		Describes how the Large Price Step and Small Price Step will be determined.
4.3	Auction Information		Provides details of the information that will be published to Users in advance of a Ascending Price Auction and by when such information must be

EID	Topic	BRDs	Explanation
			provided.
4.4	Bid Windows		<p>Sets out how the Bid Windows for each Bid Round will be determined.</p> <p>Sets out the Auction Date for an Annual Yearly Auction, Annual Quarterly Auction and Rolling Monthly Auction.</p>
4.5	Bidding in an Auction		Sets out how a User may apply for Interconnection Point Capacity by submitting a Bid within the Bid Window and what each Bid must specify and the requirements that each Bid must satisfy.
4.6	Auction Process		Sets out the Auction process in respect of Ascending Clock Auctions.
4.7	Auction Close		Following the close of the Auction, a User that submitted a successful Bid shall be allocated and registered as holding an amount of Interconnection Point Capacity equal to its Bid Quantity and will be notified accordingly.
4.8	Provision of information following the Close of an Auction.		<p>Sets out the information that will be published to:</p> <ul style="list-style-type: none"> ▪ All Users; and ▪ Successful Users only
4.9	Binary IP ASEP		<p>Sets out the process that will apply in relation to a Binary IP ASEP.</p> <p>The Auctions in respect of the two Interconnection Points will be held in parallel with simultaneous Bid Rounds in each Auction until a Bid Round in which the Auctions cease to be linked or the Auctions</p>

EID	Topic	BRDs	Explanation
			Close.
5.1	Uniform Price Auctions		<p>Sets out the basis on which Uniform Price Auctions will be held.</p> <p>Interconnection Point Capacity is offered to Users in a single bidding round in which both price and quantity are bid.</p> <p>Provides the following definitions in relation to an Uniform Price Auctions:</p> <ul style="list-style-type: none"> ▪ Bid Price ▪ Bid Quantity ▪ Minimum Bid Quantity
5.2	Auction Information		Provides details of the information that will be published to Users in advance of the Bid Window opening.
5.3	Within-Day Auctions		<p>Within-Day Auctions shall be held with Bid Windows closing at hourly intervals.</p> <p>Provides a formula to calculate the amount (in kWh/Day) of Interconnection Point Capacity which a successful User is registered as holding where the amounts of Interconnection Point Capacity are expressed in kWh/hour.</p>
5.4	Bid Windows		Sets out the timings of Bid Windows for Rolling Day-Ahead Auctions, Interruptible Rolling Day-Ahead Auctions and Within-Day Auctions.
5.5	Bidding in an Auction		Sets out how a User may apply for Interconnection Point Capacity by submitting a Bid within the Bid

EID	Topic	BRDs	Explanation
			Window. Sets out what each Bid must specify and the requirements that each Bid must satisfy.
5.6	Conversion of Bid Price		In the case of a euro-based Auction, for the purposes of ranking Bids for allocation, the Bid Price of each Bid will be converted to euro.
5.7	Auction Process		Sets out the process by which Interconnection Point Capacity will be allocated,
5.8	Provision of information following Auction		Sets out the information that will be published to: <ul style="list-style-type: none"> ▪ All Users; and ▪ Successful Users only
5.9	Binary IP ASEP		Sets out the process that will apply in relation to a Binary IP ASEP.
6.1	Bundling		Sets out when Interconnection Point Capacity is Bundled or, alternatively, Unbundled . A User may only: <ul style="list-style-type: none"> ▪ Be registered as holding Bundled Interconnection Point Capacity at an Auction; and ▪ Transfer such Interconnection Point Capacity to another User by way of a System Capacity Transfer together with Equivalent Interconnected System Capacity.
6.2	Bundling in Auctions		Sets out, in relation to an Auction of Firm Interconnection Point Capacity, the amount of

EID	Topic	BRDs	Explanation
			Equivalent Interconnection Point Capacity that shall be designated as Bundled.
6.3.1 and 6.3.2	Interconnection Point Capacity held as Bundled		<p>Sets out when National Grid NTS will record a User's Available Interconnection Point Capacity as Bundled.</p> <p>Sets out the process by which National Grid NTS will revise its records when it is informed by the Adjacent TSO that an IS User has ceased to hold Interconnected System Capacity which the Adjacent TSO records as bundled</p>
6.3.3 and 6.3.4	User ceases to hold Bundled Available Interconnection Point Capacity		Sets out what information National Grid NTS will provide to the Adjacent TSO where a User ceases to hold Bundled Available Interconnection Point Capacity pursuant to a Surrender, Withdrawal or adjustment.
6.3.5	Termination Notice		Sets out what information National Grid NTS will notify to the Adjacent TSO where National Grid NTS gives a Termination Notice to a User.
6.3.6	Discontinuance Notice		A User which has given a Discontinuance Notice may not cease to be a User at a time at which it holds Bundled Interconnection Point Capacity, unless the Adjacent TSO notifies National Grid NTS of its consent.
6.4.1 and 6.4.2	Bundling by User		<p>A User may request to National Grid NTS that Available Unbundled Interconnection Point is designated as Bundled.</p> <p>The User must simultaneously request the Adjacent TSO that Equivalent unbundled Interconnected</p>

EID	Topic	BRDs	Explanation
			<p>System Capacity is bundled.</p> <p>The User needs only to communicate its request to one of the TSOs and the request will operate as a separate request to each TSO.</p>
6.4.3 and 6.4.4	Information provided to National Grid		Sets out the required content of a User's request to National Grid NTS and by when the request must be submitted.
6.4.5	National Grid notifies the Adjacent TSO		National Grid NTS will notify the Adjacent TSO of the request and provide the information contained in the request.
6.4.6 to 6.4.8	National Grid accepts/rejects request		Sets out in what circumstances National Grid NTS will accept or refuse the User's request to bundle and the timescales in which it will inform the User of this.
6.4.9 - 6.4.12	Adjacent bundling request		Sets out what National Grid NTS will do if the Adjacent TSO notifies National Grid NTS that it has received an adjacent bundling request.
6.4.13	National Grid and Adjacent TSO to act as agent		<p>Each User:</p> <ul style="list-style-type: none"> ▪ Authorises National Grid NTS to act as its agent to send a request to the Adjacent TSO; and ▪ Confirms that it has appointed the Adjacent TSO as its agent to send requests to National Grid NTS.
6.5	Capacity constraint management		A User will not specify whether its capacity is bundled or unbundled in connection with Capacity Management.

EID	Topic	BRDs	Explanation
			Where a User's Available Firm Interconnection Point Capacity is to be Adjusted, the reduction will be applied first against the User's Available Unbundled Interconnection Point Capacity before being applied against Bundled Interconnection Point Capacity.
7.1	Surrender		<p>Contains definitions relation to Surrender, including including:</p> <ul style="list-style-type: none"> ▪ Surrender ▪ Surrender Offer ▪ Surrender Deadline ▪ Surrender Quantity ▪ Aggregate Surrender Quantity ▪ Effective Surrender Quantity ▪ Surrender Charge <p>Sets out:</p> <ul style="list-style-type: none"> ▪ When Interconnection Point Capacity may be offered for Surrender; ▪ The maximum number of Surrender Offers that may be submitted in respect of an Auction; and ▪ When a User may withdraw a Surrender Offer.
7.2	Offer to Surrender		<p>Sets out what a Surrender Offer must specify and the requirements for it to be valid.</p> <p>Sets out how a Surrender Offer operates if it is valid.</p>

EID	Topic	BRDs	Explanation
7.3	Effect of Surrender Offer		Sets out the how a valid Surrender Offer will take effect.
8.1	Withdrawal		<p>Contains definitions relation to Withdrawal, including:</p> <ul style="list-style-type: none"> ▪ directed withdrawal amount ▪ underutilisation notification ▪ utilisation monitoring period ▪ Withdrawal Offer ▪ Withdrawal User ▪ Withdrawal Deadline
8.2	Monitoring of Utilisation		<p>Sets out how National Grid NTS shall monitor a User's utilisation of its Available Interconnection Point Capacity to determine whether the User has underutilised its capacity.</p> <p>Sets out the circumstances in which National Grid NTS may withdraw a User's Available Interconnection Point Capacity</p>
8.3	Withdrawal offer		<p>Sets out the process by which Withdrawal Offers are to be submitted by National Grid NTS on behalf of a User following direction by the Authority.</p> <p>Sets out the information that a Withdrawal Offer must contain.</p>
8.4	Effect of Withdrawal Offers		Sets out the how a valid Withdrawal Offer will take effect.
9.1 to 9.3	System Capacity Transfer		Sets out how Available Interconnection Point Capacity may be transferred by one User to

EID	Topic	BRDs	Explanation
			<p>another.</p> <p>Sets out what a Notification of System Capacity Transfer must include.</p> <p>Sets out the requirements for a System Capacity Transfer and in what circumstances a System Capacity Transfer may be rejected.</p>
9.4	User trading facility		The UK Link Network is not available to Users to make System Capacity Transfers. Users may use PRISMA's systems in accordance with PRISMA's rules and processes.
10	Further modifications to the Transportation Principal Document		Sets out how the provisions of the TPD are modified in relation to Interconnection Points or Interconnection Point Capacity.
11	Charging Methodology		Sets out how TPD Section Y applies in relation to Interconnection Points.
EID SECTION C			