

MODIFICATION 0606 - LEGAL DRAFTING - EXPLANATORY TABLE

TRANSITION DOCUMENT – NEW PART IIG – TRANSITIONAL INVOICING		
Reference	Topic	Explanation
1.1	General	Explains that the transitional rules relate to the invoicing of certain Transportation Charges in relation to relevant Billing Periods (as defined).
1.2	Definitions	<p>Identifies the relevant Transporter as National Grid Gas Distribution Limited (NGGD) (as owner/operator of the relevant Systems) and relevant Billing Periods as those commencing on and after the Project Nexus Implementation Date and ending before the date specified in the joint notice to be issued by NGGD and National Grid NTS (NTS).</p> <p>Distribution Items and Transmission Items are respectively Transportation Charges payable to/by NGGD and to/by NTS.</p>
2.1	Invoice Items	<p>Allows:</p> <ul style="list-style-type: none"> - NGGD to invoice Transmission Items, whether or not in an invoice which includes Distribution Items (a relevant Invoice Document); - NGGD and NTS to issue an Ancillary Invoice which contains charges which in the normal course can only be invoiced under a different Invoice Type and not under an Ancillary Invoice. <p>Provides that where NGGD issues a relevant Invoice Document which includes Transmission Items:</p> <ul style="list-style-type: none"> - NGGD will at the same time issue an Ancillary Invoice which includes a credit for each of the relevant Transmission Items; - NTS will at the same time issue an Ancillary Invoice which includes each of the same

		relevant Transmission Items;
2.2	Submission of Invoice Documents	If the three related invoices are not submitted on the same date they are invalid and no liability to pay the invoiced amounts arises; however once the three related invoices are submitted on the same date the payer is liable to pay the invoiced amounts.
2.3	Amounts payable	Makes clear the User only has to pay NGGD the net amount, i.e. the amount under the relevant Invoice Document less the credit amount under the NGGD Ancillary Invoice containing a credit for relevant Transmission Items, and therefore equal to the amount of the relevant Distribution Items under the relevant Invoice Document.
2.4	Supporting information	Makes clear supporting information as required by TPD Section S1.3.4 will accompany each relevant Invoice Document, and therefore NTS is not required to re-issue the same information when submitting its Ancillary Invoice.
2.5	Other Ancillary Invoices	Makes clear Ancillary Invoices issued for the purposes of Part IIG will not include items which in the normal course are invoiced under an Ancillary Invoice.
2.6	Timing	The Ancillary Invoices to be issued by NGGD and NTS will be issued at the same time as the relevant Invoice Document. So the rule about there being no specific timing for Ancillary Invoices is dis-applied.
2.7	Set off Notice	Confirms that NGGD and NTS can issue a Set off Notice in the normal course event the User fails to pay.
3.1	Invoice Queries	Where a User wishes to query a Transmission Item included in a relevant Invoice Document the User must submit the query to NTS and not NGGD; so the query is in relation to the item included in the Ancillary Invoice submitted by NTS.
4.1	Confidentiality	<p>Include so that:</p> <ul style="list-style-type: none"> - NTS acknowledges that in order to submit a relevant Invoice Document NTS must disclose Protected Information in relation to the user to NGGD;

		- User's acknowledge that such disclosure is permitted, as it falls within one of the permitted exceptions (in TPD Section V5.5.3) to the rule restricting the disclosure of Protected Information.
5.1	Value at Risk	Makes clear than when calculating a User's Value at Risk in relation to NGGD on any day during a relevant Billing period account is taken of the Ancillary Invoices issued by NGGD which credit those Transmission Items include in relevant Invoice Documents.