

Nexus - AQ transition

This paper sets out indicative legal text for the 5 identified options (and sub-options).

It is assumed that legal text for the approved option will be added to core Nexus transition text which will include definitions of New Rules (i.e. relevant UNC provisions post-Nexus) and Old Rules (i.e. relevant UNC provisions pre-Nexus).

1. Annual Quantity on Nexus Implementation Date

- 1.1 The provisions of the Old Rules shall apply, up to but not after the Day before the Nexus Implementation Date, for the purposes of determining the Annual Quantities which would (under the Old Rules) apply for the Gas Year commencing 1 October 2015.
- 1.2 Accordingly, with effect on and from the Nexus Implementation Date, the Annual Quantity of each Supply Meter Point shall be the Annual Quantity determined under (and as defined in) the Old Rules, until such time as a different Annual Quantity applies pursuant to the New Rules (as they apply pursuant to paragraph [2] below).

2. Commencement of AQ New Rules

Option 1

- 2.1 For the purposes of calculating the Annual Quantity of a Supply Meter Point under the New Rules:
 - (a) no Pre-Nexus Meter Reading shall be an AQ Closing Read for the purposes of Section G1.6.7(a);
 - (b) a Qualifying Pre-Nexus Meter Reading will be treated as a Valid Meter Reading for the purposes of determining AQ Opening Readings under Section G1.6.7(b).
- 2.2 For the purposes of paragraph 2.2:
 - (a) a **Pre-Nexus Meter Reading** is a Meter Reading with a Read Date before the Nexus Implementation Date;
 - (b) a Pre-Nexus Meter Reading is **Qualifying** where it was a Valid Meter Reading under (and as defined in) the Old Rules.
- 2.3 In accordance with paragraphs 2.1 and 2.2:
 - (a) the calculation of Annual Quantities under the New Rules will commence in October 2015 (as the first AQ Calculation Month);
 - (b) the first AQ Read Submission Period shall be a short period starting 1 October 2015 and ending 10 October 2015;
 - (c) the earliest Day from which such an Annual Quantity may apply is 1 November 2015.

Option 2

- 2.1 For the purposes of calculating the Annual Quantity of a Supply Meter Point under the New Rules:
- (a) no Pre-Nexus Meter Reading shall be an AQ Closing Read for the purposes of Section G1.6.7(a);
 - (b) a Qualifying Pre-Nexus Meter Reading will be treated as a Valid Meter Reading for the purposes of determining AQ Opening Readings under Section G1.6.7(b).
- 2.2 For the purposes of paragraph 2.1:
- (a) a **Pre-Nexus Meter Reading** is a Meter Reading with a Read Date before the Nexus Implementation Date;
 - (b) a Pre-Nexus Meter Reading is **Qualifying** where:
 - (i) it was a Valid Meter Reading under (and as defined in) the Old Rules; and
 - (ii) where paragraph 2.3 applies, the Read Date of the Pre-Nexus Meter Reading is not earlier than the [latest] Backstop Read Date (if any).
- 2.3 This paragraph 2.3 applies where, under the Old Rules, for [any] Gas Year the Annual Quantity of the Supply Point was a User Provisional Annual Quantity and not the Provisional Annual Quantity (each under and as defined in the Old Rules); and in such a case the **Backstop Read Date** is the Read Date of the Meter Reading of the closing Meter Reading from which the Provisional Annual Quantity was determined.
- 2.4 In accordance with paragraphs 2.1 to 2.3:
- (a) the calculation of Annual Quantities under the New Rules will commence in October 2015 (as the first AQ Calculation Month);
 - (b) the first AQ Read Submission Period shall be a short period starting 1 October 2015 and ending 10 October 2015;
 - (c) the earliest Day from which such an Annual Quantity may apply is 1 November 2015.

Option 3A

- 2.1 For the purposes of calculating the Annual Quantity of a Supply Meter Point under the New Rules:
- (a) no Pre-Nexus Meter Reading shall be an AQ Closing Read for the purposes of Section G1.6.7(a);
 - (b) a Qualifying Pre-Nexus Meter Reading will be treated as a Valid Meter Reading for the purposes of determining AQ Opening Readings under Section G1.6.7(b).
- 2.2 For the purposes of paragraph 2.1:
- (a) a **Pre-Nexus Meter Reading** is a Meter Reading with a Read Date before the Nexus Implementation Date;

- (b) a Pre-Nexus Meter Reading is **Qualifying** where:
 - (i) it was a Valid Meter Reading under (and as defined in) the Old Rules; and
 - (ii) the Read Date of the Pre-Nexus Meter Reading is not earlier than [1 April 2015].

2.3 In accordance with paragraphs 2.1 and 2.2:

- (a) the calculation of Annual Quantities under the New Rules will commence in [December] 2015 (as the first AQ Calculation Month);
- (b) the first AQ Read Submission Period shall be a short period starting 1 [December] 2015 and ending 10 [December] 2015;
- (b) the earliest Day from which such an Annual Quantity may apply is 1 [January] 2016.

Option 3B

2.1 No Meter Reading with a Read Date earlier than the Nexus Implementation Date shall be an AQ Opening Reading for the purposes of Section G1.6.7(b).

2.2 In accordance with paragraph 2.1:

- (a) the calculation of Annual Quantities under the New Rules will commence in [June] 2016 (as the first AQ Calculation Month);
- (b) the first AQ Read Submission Period shall be a short period starting 1 [June] 2016 and ending 10 [June] 2016;
- (c) the earliest Day from which an Annual Quantity calculated under the New Rules may apply is 1 [July] 2016.

Option 4A - further discussion needed

Option 4B

2.1 For the purposes of calculating the Annual Quantity of a Supply Meter Point under the New Rules:

- (a) no Pre-Nexus Meter Reading shall be an AQ Closing Read for the purposes of Section G1.6.7(a);
- (b) where paragraph 2.3 applies, a Qualifying Pre-Nexus Meter Reading will be treated as a Valid Meter Reading for the purposes of determining AQ Opening Readings under Section G1.6.7(b);
- (c) where paragraph 2.3 does not apply, no Pre-Nexus Meter Reading shall be an AQ Opening Reading for the purposes of Section G1.6.7(b)..

2.2 For the purposes of paragraph 2.1:

- (a) a **Pre-Nexus Meter Reading** is a Meter Reading with a Read Date before the Nexus Implementation Date;

- (b) a Pre-Nexus Meter Reading is **Qualifying** where:
 - (i) it was a Valid Meter Reading under (and as defined in) the Old Rules; and
 - (ii) the Read Date of the Pre-Nexus Meter Reading is not earlier than the [latest] Backstop Read Date (if any).

2.3 This paragraph 2.3 applies where, under the Old Rules, for [the Gas Year commencing 1 October 2015] the Annual Quantity of the Supply Point was a User Provisional Annual Quantity and not the Provisional Annual Quantity (each under and as defined in the Old Rules); and in such a case the **Backstop Read Date** is the Read Date of the Meter Reading of the closing Meter Reading from which the Provisional Annual Quantity was determined.

2.4 In accordance with paragraphs 2.1 to 2.3:

- (a) the calculation of Annual Quantities under the New Rules will commence in October 2015 (as the first AQ Calculation Month);
- (b) in relation to a Supply Meter Point to which paragraph 2.3 applies:
 - (i) the first AQ Read Submission Period shall be a short period starting 1 October 2015 and ending 10 October 2015;
 - (ii) the earliest Day from which such an Annual Quantity may apply is 1 November 2015;
- (c) in relation to a Supply Meter Point to which paragraph 2.3 does not apply:
 - (i) the first AQ Read Submission Period shall be a short period starting 1 [June] 2016 and ending 10 [June] 2016;
 - (ii) the earliest Day from which an Annual Quantity calculated under the New Rules may apply is 1 [July] 2016.

Option 5

2.1 For the purposes of calculating the Annual Quantity of a Supply Meter Point under the New Rules:

- (a) no Pre-Nexus Meter Reading shall be an AQ Closing Read for the purposes of Section G1.6.7(a);
- (b) a Qualifying Pre-Nexus Meter Reading will be treated as a Valid Meter Reading for the purposes of determining AQ Opening Readings under Section G1.6.7(b).

2.2 For the purposes of paragraph 2.1:

- (a) a **Pre-Nexus Meter Reading** is a Meter Reading with a Read Date before the Nexus Implementation Date;
- (b) a Pre-Nexus Meter Reading is **Qualifying** where:
 - (i) it was a Valid Meter Reading under (and as defined in) the Old Rules; and

- (ii) the Read Date of the Pre-Nexus Meter Reading is not earlier than 1 April 2014.

2.3 In accordance with paragraphs 2.1 and 2.2:

- (a) the calculation of Annual Quantities under the New Rules will commence in October 2015 (as the first AQ Calculation Month);
- (b) the first AQ Read Submission Period shall be a short period starting 1 October 2015 and ending 10 October 2015;
- (c) the earliest Day from which such an Annual Quantity may apply is 1 November 2015.