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Dear Stakeholder,

UNC GTC Section 2.8.2(a) notice in respect of the Moffat Designated Arrangements

UNC EID Section A1.4 provides for designation by National Grid NTS of arrangements applying in relation to the NTS Exit Point at Moffat (the **Moffat Designated Arrangements**) either pursuant to a UNC Modification or with Condition A11(18) Approval from the Authority. The form of the proposed Moffat Designated Arrangements is attached to this notice. The form is unchanged from the form issued for consultation on 6 August 2015, upon which no comments were received.

As set out in that consultation, National Grid NTS proposes to designate the Moffat Designated Arrangements with (and subject to) Condition A11(18) Approval.

This notice serves as notice under UNC GTC Section 2.8.2(a) that National Grid NTS proposes to designate the Moffat Designated Arrangements. The circumstances referred to in that Section are the coming into effect of the European Interconnection Document and the proposed amendment and restatement of the Interconnection Agreement and entry into of the Tripartite Agreements (as referred to in the Moffat Designated Arrangements) in relation to the NTS Exit Point at Moffat.

If you have any comments or questions about the Moffat Designated Arrangements or this notice, please contact Debbie Brace at deborah.brace@nationalgrid.com.

Regards,

Mike

Mike Thorne
Gas Markets and Balancing Development Manager

Form of Moffat Designated Arrangements

NTS EXIT POINT AT MOFFAT

1 Introduction

- 1.1 This Document sets out the Moffat Designated Arrangements pursuant to Section A1.4 of the European Interconnection Document which forms part of the Uniform Network Code.
- 1.2 These arrangements are designated by National Grid NTS on _____ with Condition A11(18) Approval of the Authority.
- 1.3 In accordance with EID Section A1.4.2 these arrangements are treated as forming part of the Code, and may be modified by a Modification.

2 Interpretation

2.1 In this Document:

- (a) Uniform Network Code or Code means the Uniform Network Code established by National Grid Gas plc and certain other gas transporters pursuant to conditions in their gas transporter licences;
- (b) GNI (UK) means GNI (UK) Limited (formerly BGE (UK) Limited);
- (c) GNI (UK) Interconnection Agreement means the Interconnection Agreement dated 25 August 1998 and amended and restated as of _____ between National Grid NTS and GNI (UK);
- (d) GNI (UK) System means the gas interconnector between Moffat in Scotland to the Republic of Ireland and the Isle of Man, of which GNI (UK) is the transmission system operator;
- (e) GNI means Gas Networks Ireland Limited;
- (f) GNI Pipeline System means the gas transmission system of the Republic of Ireland, operated by GNI;
- (g) GNI System means the transportation system comprising the GNI Pipeline System and the capacity in the GNI (UK) System held by GNI as described in paragraph 3.3(b);
- (h) GNI Tripartite Agreement means the Tripartite Agreement referred to in paragraph 3.5(c);
- (i) Moffat Interconnection Point has the meaning given in paragraph 4.1(a);
- (j) Moffat NTS Exit Point means the NTS Exit Point at Moffat;
- (k) Moffat Offtake has the meaning given in paragraph 4.1(b);

- (l) PTL means Premier Transmission Limited;
 - (m) PTL Stranraer Exit Point means the point at which the PTL System is connected (as described in paragraph 3.2(d)) to the Stranraer LDZ;
 - (n) PTL Pipeline System means the gas interconnector between Twynholm in Scotland and Ballylumford in Northern Ireland operated by PTL;
 - (o) PTL System means the transportation system comprising the PTL Pipeline System and the capacity in the GNI (UK) System held by PTL as described in paragraph 3.3(a);
 - (p) PTL Tripartite Agreement means the Tripartite Agreement referred to in paragraph 3.5(b);
 - (q) Stranraer DNO means the DN Operator in respect of the Stranraer LDZ;
 - (r) Stranraer LDZ means the LDZ comprising the Scottish Independent Network at Stranraer as described in TPD Section A1.7;
 - (s) Stranraer Daily Quantity is the quantity for a Day allocated by PTL at the Moffat NTS Exit Point to the Stranraer DNO pursuant to the arrangements referred to in paragraph 3.4(b), as notified to National Grid NTS pursuant to the PTL Tripartite Agreement;
 - (t) Tripartite Agreements means the PTL Tripartite Agreement and the GNI Tripartite Agreement.
- 2.2 In this Document terms defined in the Code have the meanings given to them in the Code.

3 Background

- 3.1 These Designated Arrangements reflect the circumstances and arrangements described in this paragraph 3.
- 3.2 The GNI (UK) System is connected to the NTS at the Moffat NTS Exit Point, where gas flows from the NTS into the GNI System.
- 3.3 The PTL Pipeline System is connected to the GNI (UK) System at Twynholm, where gas flows from the GNI (UK) System into the PTL System.
- 3.4 The GNI Pipeline System is connected to the GNI (UK) System at the limit of the territorial waters of the UK, where gas flows from the GNI (UK) System into the GNI System.
- 3.5 The Stranraer LDZ is connected to the PTL System at Rathaine, Lochans, Stranraer, where gas flows from the PTL System into the Stranraer LDZ.
- 3.6 Under arrangements made between GNI (UK), PTL and GNI, GNI (UK) has allocated all of the capacity in the GNI (UK) System to PTL and GNI; and as a result of that allocation of capacity:

- (a) PTL arranges with shippers (but subject to paragraph 3.4) for transportation of gas (in the GNI (UK) System and PTL Pipeline System) between the Moffat NTS Exit Point and exit points on the PTL System; and capacity rights allocated by PTL to shippers include rights in respect of transportation in the GNI (UK) System;
- (b) GNI arranges with shippers for transportation of gas (in the GNI (UK) System and GNI Pipeline System) between the Moffat NTS Exit Point and exit points on the GNI System; and capacity rights allocated by GNI to shippers include rights in respect of transportation in the GNI (UK) System;

and GNI (UK) does not enter into arrangements with (or allocate capacity to) shippers for transportation of gas in the GNI System.

3.7 Under transportation arrangements between PTL and the Stranraer DNO:

- (a) the Stranraer DNO may deliver gas to the PTL System at the Moffat NTS Exit Point and may offtake gas from the PTL System (to flow into the Stranraer LDZ) at the PTL Stranraer Exit Point;
- (b) of the overall quantities of gas flowing into the PTL System on a Day at the Moffat NTS Exit Point, the quantity allocated as delivered by the Stranraer DNO is determined by PTL; and
- (c) a part of the entry capacity in the PTL System is allocated to the Stranraer DNO to allow such gas flows.

3.8 National Grid NTS has entered into the following Agreements in relation to the Moffat Interconnection Point:

- (a) Interconnection Agreement with GNI (UK);
- (b) Tripartite Agreement with GNI (UK) and PTL;
- (c) Tripartite Agreement with GNI (UK) and GNI.

4 Moffat Offtake and Moffat Interconnection Point

4.1 The Moffat NTS Exit Point shall be treated for the purposes of the Code as comprising separately:

- (a) an Interconnection Point (Moffat Interconnection Point), in respect of gas flows (through the GNI System or PTL System) to or from the Republic of Ireland or Northern Ireland; and
- (b) a NTS/LDZ Offtake (Moffat Offtake) in respect of gas flows (through the PTL System) to the Stranraer LDZ.

4.2 For the purposes of the Code, gas is treated as flowing from the NTS into the Stranraer LDZ at the Moffat Offtake.

- 4.3 The provisions of the European Interconnection Document apply (subject to the arrangements in this Document) in relation to the Moffat Interconnection Point and not the Moffat Offtake.
- 4.4 The provisions of the Offtake Arrangements Document apply (or would do if not otherwise disapplied) in relation to the Moffat Offtake and not the Moffat Interconnection Point.
- 4.5 For the purposes of the Code:
- (a) the LDZ Daily Input Quantity in relation to the Moffat Offtake for a Day is a quantity equal to the Stranraer Daily Quantity;
 - (b) the LDZ Daily Quantity Offtaken in relation to the Moffat Offtake for a Day is a quantity equal to the quantity measured (pursuant to the transportation arrangements referred to in paragraph 4.1) as flowing on the Day at the PTL/Stranraer Connection Point, as communicated to National Grid NTS by the Stranraer DNO or PTL;
 - (c) the amount of the difference for a Day between the quantities in paragraphs (a) and (b), after adjustment for shrinkage, is deemed to be change in LDZ stock in the Stranraer LDZ;
 - (d) in relation to a Non-OBA Day, the requirement in EID Section D3.2.1(c) in relation to the Moffat Interconnection Point is that (as provided in the Tripartite Agreements) the sum of the Counterparty Quantities, any Scheduled Correction and the Stranraer Daily Quantity is equal to the Measured Quantity.
- 4.6 For the purposes of the Code:
- (a) National Grid NTS's Transporter's Licence specifies an amount of Baseline NTS Exit (Flat) Capacity (as 'Stranraer OT') at the Moffat Offtake;
 - (b) such Baseline NTS Exit (Flat) Capacity is not included in determining the amount of NTS Exit (Flat) Capacity which comprises Technical Interconnection Point Capacity at the Moffat Interconnection Point for the purposes of EID Section B;
- (and it is understood that capacity in the PTL System allocated by PTL (as described in paragraph 3.4(c)) is not Interconnected System Capacity for the purposes of EID Section B).
- 4.7 Information about the quantities and rates in which gas is expected to flow at the Moffat Offtake from the NTS into the Stranraer LDZ:
- (a) is provided by the Stranraer DNO to PTL (pursuant to the arrangements referred to in paragraph 3.4), and
 - (b) is taken into account in the gas flow information provided by PTL to GNI (UK) (pursuant to the arrangements between them referred to in paragraph 3.3), and
 - (c) is taken into account in the Exit Flow Profiles provided by GNI (UK) to National Grid NTS under the GNI (UK) Interconnection Agreement.

4.8 National Grid NTS will monitor the amount of the deemed stock (pursuant to paragraph 4.5(c)) in the Stranraer LDZ to verify that, over time, it remains within acceptable limits. If National Grid NTS is concerned about the amount of such deemed stock, National Grid NTS will raise such concern with the Stranraer DNO and the Authority.

4.9 In relation to the Moffat Offtake the arrangements in this Document apply in addition to applicable provisions of TPD Sections A1.7 and B1.9, except that paragraph 4.5(a) and (b) supersede TPD Section B1.9.3(d)(ii).

5 Primary Interconnection Point

5.1 Pursuant to EID Section A2.1.3, for the purposes specified in paragraph 5.2:

- (a) the Moffat Interconnection Point is a Primary Interconnection Point;
- (b) the Moffat Interconnection Point comprises:
 - (i) a Subsidiary Interconnection Point in respect of the PTL System; and
 - (ii) a Subsidiary Interconnection Point in respect of the GNI System;
- (c) in relation to the PTL Subsidiary Interconnection Point:
 - (i) the PTL System is treated as the Interconnected System;
 - (ii) PTL is treated as the Adjacent TSO;
 - (iii) the PTL Tripartite Agreement (as to the matters provided in it) is treated as the Interconnection Agreement;
- (d) in relation to the GNI Subsidiary Interconnection Point:
 - (i) the GNI System is treated as the Interconnected System;
 - (ii) GNI is treated as the Adjacent TSO;
 - (iii) the GNI Tripartite Agreement (as to the matters provided in it) is treated as the Interconnection Agreement.

5.2 Paragraph 5.1 applies:

- (a) for the purposes of EID Sections B1.7.2, C1.10 and D1.3.2, and
- (b) for the purposes of the remaining provisions of the European Interconnection Document (including EID Sections A3.6, A4.1 and A4.2) as they apply for the purposes specified in paragraph (a);

but subject to the role of GNI (UK) as described in the Tripartite Agreements, and provided that for the purposes of EID Sections A4.1 and A4.2 GNI (UK) is also treated as an Adjacent TSO.

5.3 Except as and for the purposes specified in paragraphs 5.1 and 5.2, for the purposes of the Code, in relation to the Moffat Interconnection Point:

- (a) the Interconnected System is the GNI (UK) System;
- (b) the Adjacent TSO is GNI (UK);
- (c) the Interconnection Agreement is the GNI (UK) Interconnection Agreement.