Draft Legal Text Date: 21.07.11 Mod [ ] – Amendments to the process for agreeing pressure at the Offtakes from the National Transmission System to Distribution Networks

### UNIFORM NETWORK CODE – OFFTAKE ARRANGEMENTS DOCUMENT

## SECTION I

### NTS OPERATIONAL FLOWS

Amend OAD Section I paragraph 4 as follows:

## 4 Pressure

### 4.1 General

4.1.1 For the purposes of this Section I, in relation to an Offtake:

- (a) "Assured 0600 Pressure" and "Assured 2200 Pressure" mean the 0600 pressure and the 2200 pressure respectively comprised in the Assured Offtake Pressure in accordance with TPD Section J2.5;
- (b) a reference to the 0600 pressure in relation to a Day is to pressure (at the Point of Offtake) at 0600 hours at the end of the Day;
- (c) at any time, in relation to any Day, the "Agreed 0600 Pressure" means the agreed 0600 pressure for that Day prevailing in accordance with paragraph 4.2.7 at that time;
- (d) "**Significant Offtake**" means an Offtake which is capable of being the subject of a pressure request in accordance with paragraph 4.2 and being an Offtake which is either:
  - (i) identified as having Significant Offtake status in an Offtake Pressure Statement in accordance with TPD Section J2.5.2; or
  - (c)(ii) granted temporary Significant Offtake status in accordance with paragraph 4.2.9.
- 4.1.2 For the purposes of TPD Section J2.1.4, pursuant to TPD Section J2.1.1(b)(iii), the Applicable Offtake Pressure (so far as relating to 0600 pressure) in relation to an <u>Significant</u> Offtake on any Day shall be the Agreed 0600 Pressure and in respect of all other Offtakes shall be the Assured 0600 Pressure.
- 4.1.3 Without prejudice to the rights and obligations of the Parties under this Document (or to the specific provisions of this paragraph 4), in relation to any or all of the Offtakes serving an LDZ, National Grid NTS and the DNO agree to cooperate with a view to establishing operating pressures at such Offtake(s) which optimise the safe and efficient operation of the NTS and such LDZ.

### 4.2 Agreed pressures

- 4.2.1 For the purposes of this paragraph 4.2, in relation to an Offtake:
  - (a) a "**pressure request**" is a request (including a revised request) to be submitted by the DNO specifying a requested 0600 pressure, being the DNO's preferred 0600 pressure for the purposes of operating that <u>Significant</u> Offtake and the LDZ on that Day;
  - (b) the requested 0600 pressure in a pressure request may be lower than, equal to or (subject to paragraph 4.2.4) higher than:
    - (i) in the case of the initial pressure request (under paragraph 4.2.2(a)), the Assured 0600 Pressure; and
    - (ii) in the case of a revised pressure request, the Agreed 0600 Pressure.

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- 4.2.2 In relation to each <u>Significant</u> Offtake, for each Day:
  - (a) the DNO shall, at the same time as submitting (in accordance with paragraph 2.2.1) an initial Offtake Profile Notice for the Day, submit to National Grid NTS an initial pressure request, specifying the requested 0600 pressure for Day D; and
  - (b) the DNO may from time to time thereafter, up to but not (unless National Grid NTS otherwise agrees) after 2400 hours on the Day, submit a revised pressure request for the Day.
- 4.2.3 If (in relation to a pressure request) the requested 0600 pressure is no higher than:
  - (a) (in the case of the initial pressure request) the Assured 0600 Pressure; or
  - (b) (in the case of a revised pressure request) the prevailing Agreed 0600 Pressure;

National Grid NTS will agree the requested 0600 pressure, subject to paragraph 4.2.5.

- 4.2.4 If the requested 0600 pressure is higher than the Assured 0600 Pressure or (as the case may be) the prevailing Agreed 0600 Pressure, National Grid NTS will agree the requested 0600 pressure if it considers that the safe and efficient operation of the NTS (consistent with its obligations under the Code) would not be materially prejudiced if it were to make or seek to make gas available for offtake (at the <u>Significant</u> Offtake) on the basis of the requested 0600 pressure, and not otherwise.
- 4.2.5 National Grid NTS may request the DNO to reduce the requested pressure in an initial pressure request or (as the case may be) the prevailing Agreed 0600 Pressure, where National Grid NTS would prefer to operate the NTS on the basis of that reduced 0600 pressure at the relevant <u>Significant</u> Offtake.
- 4.2.6 The DNO will agree to a request by National Grid NTS to reduce the requested 0600 pressure or prevailing Agreed 0600 Pressure if the DNO considers that the safe and efficient operation of the LDZ (consistent with its obligations under the Transportation Principal Document) would not be materially prejudiced if gas were made available for offtake (at the <u>Significant</u> Offtake) on the basis of such reduced pressure, and not otherwise.
- 4.2.7 For the purposes of this Section I, in relation to an <u>Significant</u> Offtake and any Day, the Agreed 0600 Pressure at any time shall be the prevailing 0600 pressure agreed pursuant to paragraph 4.2.3, 4.2.4 or 4.2.6 (as the case may be).
  - 4.2.8 National Grid NTS (for the purposes of paragraph 4.2.4, in relation to a pressure request by a DNO) or the DNO (for the purposes of paragraph 4.2.6, in relation to a request by National Grid NTS under paragraph 4.2.5) shall be entitled, in considering whether the operation of the NTS or (as the case may be) LDZ would be prejudiced as provided in paragraph 4.2.4 or 4.2.6, to make allowance for the risk of error in prevailing demand forecasts and for other possible changes in circumstances over the remainder of the Day (in particular, having regard to the effect of paragraph 4.2.6 or as the case may be 4.2.4 in the case where it accepts the relevant request).
  - 4.2.9 Where in relation to any Offtake that is not specified as having Significant Offtake status in the Offtake Capacity Statement either National Grid NTS or the DNO requires an 0600 pressure that is higher or lower than the Assured Offtake Pressure (the "**nominating party**"), the nominating party shall notify the other as soon as reasonably practicable that such Offtake shall temporarily be granted Significant Offtake Status. Such notification shall specify:
    - (a) the Offtake;
    - (b) the period during which the temporary Significant Offtake status shall apply.

Any Offtake in relation to which a notification has been made under this paragraph 4.2.9 shall be deemed to be a Significant Offtake for the purposes of this paragraph 4.2 and TPD Section B and J during the period referred to in (b) above.

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# 4.2.10 Where:

- (a) compliance by the DNO with a request by National Grid NTS to reduce the requested 0600 pressure or prevailing Agreed 0600 Pressure in respect of a Significant Offtake; or
- (b) a failure by National Grid NTS to accept a request from the DNO pursuant to paragraph 2.5 to revise any Offtake Profile Notices, where such revision is required in order to facilitate the DNO's compliance with a request from National Grid NTS to reduce the requested 0600 pressure or prevailing Agreed 0600 Pressure in respect of a Significant Offtake; or
- (c) a failure by National Grid NTS to make gas available for offtake at a Significant Offtake at the Agreed 0600 Pressure,

causes the DNO to:

- (i) breach, infringe or otherwise contravene any of the requirements of:
  - (aa) paragraph 2.3 and/or TPD Section J4.5.2 (Revisions to Offtake Profile Notices),
  - (bb) paragraph 3.2 and/or, TPD Section J4.7.1 (Maximum Rate of Change)

then National Grid NTS shall be deemed to have waived such requirements insofar as they relate to such Significant Offtake and any other Offtake that is affected as a consequence of the DNO's compliance with National Grid NTS' request or National Grid NTS' failure (as the case may be);

- (ii) exceed any of the offtake tolerances pursuant to paragraph 3 and/or TPD Section J4.6.2 in respect of such Significant Offtake and/or any other Offtake that is affected as a consequence of the DNO's compliance with National Grid NTS' request or National Grid NTS' failure (as the case may be), then National Grid NTS shall be deemed to have waived the requirements of TPD Section J4.6.2(a) or (b) (as the case may be) and TPD Section J4.6.3 shall not apply in relation to such Significant Offtake or any other Offtake affected as a consequence thereof;
- (iii) offtake gas at such Significant Offtake and/or any other Offtake that is affected as a consequence of the DNO's compliance with National Grid NTS' request or National Grid NTS' failure (as the case may be) at a rate which exceeds the maximum permitted offtake rate contrary to the requirements of TPD Section J3.10.2, then the provisions of TPD Section J3.10.1(b) shall not apply in relation to such Significant Offtake or any other Offtake affected as a consequence thereof.