

Stage 01: Modification

0490:

Updates to UNC TPD Section B to correct anomalies arising from the implementation of UNC Modification 0376S “Increased Choice when Applying for NTS Exit Capacity”

This Modification will amend UNC TPD Section B in accordance with the legal text of Modification 0376S and reinstate those parts of Section B that were incorrectly overwritten by the implementation of 0376S.



The Proposer recommends that this modification should be:

- subject to fast track self-governance



High Impact:
N/A



Medium Impact:
N/A



Low Impact:
N/A

At what stage is this document in the process?



0490

Modification

07 March 2014

Version 1.0

Page 1 of 9

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Contents

1	Summary
2	Why Change?
3	Solution
4	Relevant Objectives
5	Implementation
6	Legal Text
7	Recommendation

About this document:

This modification will be presented by the proposer to the panel on 20 March 2014.

The panel will consider the proposer's recommendation and agree whether this modification should be:

- subject to fast track procedures and implemented

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0490

Modification

07 March 2014

Version 1.0

Page 2 of 9

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1 Summary

Is this a Self-Governance Modification?

Yes, we believe this is a Self-Governance Modification as this Modification will amend UNC TPD Section B in accordance with the legal text of Modification 0376S and reinstate those parts of Section B that were incorrectly overwritten through the implementation of 0376S. As such we believe that this modification does not introduce any changes to the UNC which have not already been implemented by the Authority via previous Modifications and therefore this Modification of itself:

- (i) is unlikely to have a material effect on:
 - (aa) existing or future gas consumers; and
 - (bb) competition in the shipping, transportation or supply of gas conveyed through pipes or any commercial activities connected with the shipping, transportation or supply of gas conveyed through pipes; and
 - (cc) the operation of one or more pipe-line system(s); and
 - (dd) matters relating to sustainable development, safety or security of supply, or the management of market or network emergencies; and
 - (ee) the uniform network code governance procedures or the network code modification procedures; and
- (ii) is unlikely to discriminate between different classes of parties to the uniform network code/relevant gas transporters, gas shippers or DN operators.

Is this a Fast Track Self-Governance Modification?

Yes, we believe that this Modification qualifies as fast track self governance under b. below as it will correct errors arising from the process of incorporating the legal text from Modification 0376S into the UNC document rather than errors in the text itself. We consider therefore that this Modification:

- a. would meet the self-governance criteria; and
- b. is properly a housekeeping modification required as a result of some error or factual change, including but not limited to:
 - i. updating names or addresses listed in the uniform network code;
 - ii. correcting minor typographical errors;
 - iii. correcting formatting and consistency errors, such as paragraph numbering; or
 - iv. updating out of date references to other documents or paragraphs.”

Why Change?

This Modification will amend UNC TPD Section B in accordance with the legal text of Modification 0376S and reinstate those parts of Section B that were incorrectly overwritten through the implementation of 0376S, it will ensure that the text implemented via 0376S aligns with earlier changes to TPD Section B particularly the insertion of legal text for Modifications 0381 ‘Removal of the NTS Exit (Flat) Capacity “deemed application” process’ and 0413S ‘DN Adjustment of notices for the reduction of Enduring Annual NTS Exit (Flat) Capacity’.

Solution

Update UNC TPD Section B, paragraphs 3.2.3, 3.2.4, 3.2.8 and 3.2.10.

Relevant Objectives

This Modification will have a positive impact on Relevant Objective (f); promotion of efficiency in the administration and implementation of the Code.

0490

Modification

07 March 2014

Version 1.0

Page 3 of 9

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Implementation

This modification could be implemented 16 business days after a unanimous vote in favour of implementation by the Modification Panel. There are no implementation costs applicable to the modification.

0490

Modification

07 March 2014

Version 1.0

Page 4 of 9

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2 Why Change?

This Modification will amend UNC TPD Section B in accordance with the legal text of Modification 0376S and reinstate those parts of Section B that were incorrectly overwritten by the implementation of 0376S, it will ensure that the text implemented via 0376S aligns with earlier changes to TPD Section B particularly the insertion of legal text for Modifications 0381 'Removal of the NTS Exit (Flat) Capacity "deemed application" process' and 0413S 'DN Adjustment of notices for the reduction of Enduring Annual NTS Exit (Flat) Capacity'.

This will require updates be made to UNC TPD Section B, paragraphs 3.2.3(a) (i) & (ii), 3.2.4 (iv), 3.2.8, 3.2.8(a), 3.2.8(a)(i) and 3.2.10(c).

3 Solution

We propose to make the following updates, identified by strikethrough where deletions apply and underlined where insertions apply, to UNC TPD Section B3.2;

3.2.3 An application for Enduring Annual NTS Exit (Flat) Capacity:

- (a) during an Annual Application Window may be for an amount of Enduring Annual NTS Exit (Flat) Capacity equal to:
 - (i) ~~where paragraph 3.2.25 applies in relation to a User and an NTS Exit Point, the sum of the deemed application amount and any additional Enduring Annual NTS Exit (Flat) Capacity (if any) which the User wishes to apply for at the NTS Exit Point; or~~
 - (ii) ~~where paragraph 3.2.25 does not apply in relation to a User and an NTS Exit Point, the Enduring Annual NTS Exit (Flat) Capacity (if any) which the User wishes to apply for at the NTS Exit Point;~~

3.2.4 A User:

- (a)
 - (i)
 - (ii)
 - (iii)
 - (iv) may withdraw or modify an application ~~under paragraph 3.2.3(a)(ii)~~ at any time during the Annual Application Window^{2,5} ~~but may only modify (and not withdraw) an application under paragraph 3.2.3(a)(i) during such period by reducing the amount of Enduring Annual NTS Exit (Flat) Capacity applied for to not less than the deemed application amount;~~

0490
Modification

07 March 2014

Version 1.0

Page 5 of 9

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3.2.8 In respect of an application made under paragraph 3.2.3(a) and (as the case may be) a notice of reduction given by a DNO User under paragraph 3.2.15 to which paragraph (a) applies:

- (a) where National Grid NTS has rejected or accepted in part only an application made by a DNO User pursuant to paragraph 3.7.5 for NTS Exit (Flexibility) Capacity or Section J2.5 in relation to an increase in the Assured Offtake Pressure in respect of Gas Year Y+4, Y+5 or Y+6, a DNO User may, ~~submit a revised application for Enduring Annual NTS Exit (Flat) Capacity on any of the five ten (5 10) Business Days following the provision of the indicative statement in accordance with paragraph 3.7.9(b) 15 September in Gas Year Y with effect from the first Day of any month within Gas Years Y+4, Y+5 and Y+6;~~
 - (i) submit a revised application for Enduring Annual NTS Exit (Flat) Capacity for with effect from the first Day of any month within Gas Years Y+4, Y+5 and Y+6; and/or

3.2.10 ...

- (a) ...
- (b) ...
- (c) the date(s) with effect from which National Grid NTS is able to make Enduring Annual NTS Exit (Flat) Capacity available at the NTS Exit Point, such date(s) being not earlier than the date(s) with effect from which the User applied to be registered as holding Enduring Annual NTS Exit (Flat) Capacity and not later than 1 October in the Gas Year Y+~~6~~4; and

User Pays
Classification of the modification as User Pays, or not, and the justification for such classification.
No User Pays service would be created or amended by implementation of this modification and it is not, therefore, classified as a User Pays Modification.
Identification of Users of the service, the proposed split of the recovery between Gas Transporters and Users for User Pays costs and the justification for such view.
N/A
Proposed charge(s) for application of User Pays charges to Shippers.
N/A
Proposed charge for inclusion in the Agency Charging Statement (ACS) – to be completed upon receipt of a cost estimate from Xoserve.
N/A

4 Relevant Objectives

Impact of the modification on the Relevant Objectives:

Relevant Objective	Identified impact
a) Efficient and economic operation of the pipe-line system.	None
b) Coordinated, efficient and economic operation of (i) the combined pipe-line system, and/ or (ii) the pipe-line system of one or more other relevant gas transporters.	None
c) Efficient discharge of the licensee's obligations.	None
d) Securing of effective competition: (i) between relevant shippers; (ii) between relevant suppliers; and/or (iii) between DN operators (who have entered into transportation arrangements with other relevant gas transporters) and relevant shippers.	None
e) Provision of reasonable economic incentives for relevant suppliers to secure that the domestic customer supply security standards... are satisfied as respects the availability of gas to their domestic customers.	None
f) Promotion of efficiency in the implementation and administration of the Code.	Positive
g) Compliance with the Regulation and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators.	None

This Modification will have a positive impact on Relevant Objective (f); promotion of efficiency in the administration and implementation of the Code as it will correct errors arising from the process of incorporating the legal text from Modification 0376S into the UNC rather than errors in the text itself.

5 Implementation

This modification could be implemented 16 business days after a unanimous vote in favour of implementation by the Modification Panel. There are no implementation costs applicable to the modification.

6 Legal Text

UNC TPD Section B3.2;

3.2.3 An application for Enduring Annual NTS Exit (Flat) Capacity:

- (a) during an Annual Application Window may be for an amount of Enduring Annual NTS Exit (Flat) Capacity equal to:
 - (i) ~~where paragraph 3.2.25 applies in relation to a User and an NTS Exit Point, the sum of the deemed application amount and any additional Enduring Annual NTS Exit (Flat) Capacity (if any) which the User wishes to apply for at the NTS Exit Point; or~~
 - (ii) ~~where paragraph 3.2.25 does not apply in relation to a User and an NTS Exit Point, the Enduring Annual NTS Exit (Flat) Capacity (if any) which the User wishes to apply for at the NTS Exit Point;~~

3.2.4 A User:

- (a)
 - (i)
 - (ii)
 - (iii)
 - (iv) may withdraw or modify an application ~~under paragraph 3.2.3(a)(ii)~~ at any time during the Annual Application Window, ~~but may only modify (and not withdraw) an application under paragraph 3.2.3(a)(i) during such period by reducing the amount of Enduring Annual NTS Exit (Flat) Capacity applied for to not less than the deemed application amount;~~

3.2.8 In respect of an application made under paragraph 3.2.3(a) and (as the case may be) a notice of reduction given by a DNO User under paragraph 3.2.15 to which paragraph (a) applies:

- (a) where National Grid NTS has rejected or accepted in part only an application made by a DNO User pursuant to paragraph 3.7.5 for NTS Exit (Flexibility) Capacity or Section J2.5 in relation to an increase in

0490

Modification

07 March 2014

Version 1.0

Page 8 of 9

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the Assured Offtake Pressure in respect of Gas Year Y+4, Y+5 or Y+6, a DNO User may, ~~submit a revised application for Enduring Annual NTS Exit (Flat) Capacity on any of the five ten (5 10) Business Days following the provision of the indicative statement in accordance with paragraph 3.7.9(b)15 September in Gas Year Y with effect from the first Day of any month within Gas Years Y+4, Y+5 and Y+6;~~

- (i) ~~submit a revised application for Enduring Annual NTS Exit (Flat) Capacity for~~ submit a revised application for Enduring Annual NTS Exit (Flat) Capacity for with effect from the first Day of any month within Gas Years Y+4, Y+5 and Y+6; and/or

3.2.10

...

(a) ...

(b) ...

- (c) the date(s) with effect from which National Grid NTS is able to make Enduring Annual NTS Exit (Flat) Capacity available at the NTS Exit Point, such date(s) being not earlier than the date(s) with effect from which the User applied to be registered as holding Enduring Annual NTS Exit (Flat) Capacity and not later than 1 October in the Gas Year Y+6~~4~~; and

7 Recommendation

The Proposer invites the Panel to:

- Determine that this modification should be subject to self-governance; and
- Determine that this modification should follow fast track procedures and be implemented

0490

Modification

07 March 2014

Version 1.0

Page 9 of 9

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