Draft: 27 February 2018

MODIFICATION 0636

UPDATING PARAMETERS FOR THE NTS OPTIONAL COMMODITY CHARGE

[Proposed Legal Text]

TRANSPORTATION PRINCIPAL DOCUMENT

SECTION B - SYSTEM CAPACITY

Amend paragraph 3.12.10 to read as follows:

3.12.10 For the purposes of paragraphs 3.12.9 to 3.12.14 (inclusive), the capacity of a Specified Exit Point for any Day in a Gas Year shall be;

(a) the capacity determined by no later than 30 April in the Preceding Year ("relevant date") as follows:

$M = (\Sigma UDQO) / N) / 0.75$

where:

M means the capacity of the Specified Exit Point;

<u>SUDQO</u> is the aggregate of the UDQO at the Specified Exit Point for all Days in the Gas Year ending on the 30 September preceding the relevant date ("relevant year");

N is the number of days in the Gas Year in the relevant year;

(provided that in the case of a Specified Exit Point which is an Interconnection Point at which gas cannot be offtaken from the Total System then ΣUDQO shall be equal to the aggregate of the UDQI for all Days in the relevant year at the Aggregate System Entry Point comprised in such Interconnection Point);

(b) where the Specified Exit Point has not been a System Exit Point for all Days in a Gas

Year, the capacity determined as equal to 24 times the Maximum NTS Exit Point

Offtake Rate for the Specified Exit Point.

SECTION Y - CHARGING METHODOLOGIES

Amend Chapter 3, paragraph 3.5 to read as follows:

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Deleted: (a) in the case of an LDZ Supply Point the capacity shall be determined in accordance with Section G5.4.1, except for a LDZ Shared Supply Point in which case the capacity shall be determined in accordance with Section G1.7.17;

Deleted: (i) for an LDZ CSEP the capacity shall be determined in accordance with paragraph 4.5.2;

Deleted: in the case of an NTS Exit Point the capacity shall be equal to 24 times the Maximum NTS Exit Point Offtake Rate, except:

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Deleted: (i) for an NTS Exit Point in respect of a pipeline interconnector having no physical exit capability which is both a Connected Offtake System and a Connected Delivery Facility, the capacity shall be equal to 24 times the amount (where positive) determined as the instantaneous rate (in kWh/Hour) which the Transporter determines to be the maximum instantaneous rate at which it is feasible to deliver gas to the NTS at the System Entry Point associated with such Connected Delivery Facility

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The NTS Optional Commodity Rate (in pence per kWh) is site specific and is in respect of a Specified Exit Point, calculated by the following equation:

<u>1247</u> x (M) ^ -0<u>78</u> x D +<u>1422</u> x (M) ^ -0<u>708</u>

where:

is the distance determined in accordance with Section B3.12.11,

M_{*}has the meaning given in Section B3.12.10(a); and

means to the power of.

TRANSITION DOCUMENT - PART IIC

Add new paragraph 24 to read as follows:

REVISED NTS OPTIONAL COMMODITY RATE

Implementation

- 24.1.1 For the purposes of this paragraph 24:
 - Effective Date means the effective date of the Modification 0636;
 - Relevant Supply Point means a Supply Point in respect of which the NTS Optional Commodity Rate applied on the Effective Date:
 - Relevant User means a User who at the Effective Date is the Registered User of a Relevant Supply Point.
- 24.1.2 National Grid NTS shall notify each Relevant User of the revised NTS Optional Commodity Rate applying in respect of a Relevant Supply Point as determined in accordance with TPD Section Y, paragraph 3.5 (New NTS OCR) as soon as reasonably practicable following the Effective Date.
- 24.1.3 The New NTS OCR shall apply in respect of a Relevant Supply Point for the purposes of determining the NTS Exit (Flat) Commodity Charge payable pursuant to TPD Section B3.12.9 from the earlier of:
 - the date (being the first day of a calendar month) specified in the statement sent to Relevant Users in accordance with TPD Section B1.8.2 (and which is not less than 2 months following the date on which such notice was sent to the Relevant User);
 - such other date as is consented to by the Authority in writing and notified by National Grid NTS to the Relevant User.

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Entry Point in km

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converted into kWh/day at the site; and

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