MODIFICATION 0636A

UPDATING PARAMETERS FOR THE NTS OPTIONAL COMMODITY CHARGE

Proposed Legal Text

TRANSPORTATION PRINCIPAL DOCUMENT

SECTION B – SYSTEM CAPACITY

Amend paragraph 3.12.8(b) to read as follows:

(b)   an "**Eligible Exit Point**" is a System Exit Point which is not a Storage Connection Point and which is not more than one hundred and fifteen kilometres (115km) distant from the Eligible Entry Point;

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 shall be in the case of:

(a)   an LDZ Supply Point 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;

(b)   an LDZ CSEP determined in accordance with paragraph 4.5.2;

(c)   an NTS Exit Point equal to the Maximum NTS Exit Point Offtake Rate (converted into kWh/Day)   (provided 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 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 (converted into kWh/Day)).

SECTION Y – CHARGING METHODOLOGIES

In Chapter 3, paragraph 3.5 delete the third paragraph and replace with text to read as follows:

The following formula shall be used to determine the NTS Optional Commodity Rate (in p/kWh) in respect of a Specified Entry Point and Specified Exit Point:

$$\text{NTS Optional Commodity Rate} = 1203 * [(M)^{-0.834}] * D + 363 * (M)^{-0.654}$$

where:

M   is a measure (expressed in kWh/Day) of maximum offtake rate at the Eligible Exit Point, being in the case of:

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(i)   an NTS Exit Point, the Maximum NTS Exit Point Offtake Rate (converted into kWh/Day);

(ii)   an LDZ Exit Point, the Supply Point Offtake Rate (converted into kWh/Day);

D   is the distance (in accordance with TPD Section B3.12.11) from the Specified Exit Point to the Specified Entry Point; and

^   means to the power of.

TRANSITION DOCUMENT – PART IIC

Add new paragraph 24 to read as follows:

24   NTS OPTIONAL COMMODITY RATE

24.1   Implementation

24.1.1 For the purposes of this paragraph 24:

(a)   **Effective Date** means the date (being the first day of a calendar month) specified in National Grid NTS's notice under paragraph 24.1.2;

(b)   **Non-Qualifying Supply Point** means a Supply Point which comprises a Specified Exit Point which (by reason of Modification 0636A) is no longer an Eligible Exit Point;

(c)   **Relevant User** means a User who is the Registered User of a Non-Qualifying Supply Point.

24.1.2 The revised NTS Optional Commodity Rate (in accordance with Section Y, paragraph 3.5 as modified by Modification 0636A) shall cease to apply from the Effective Date 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 where prior to such date (and following the date on which the Authority directed approval of Modification 0636A) National Grid NTS has given the Relevant User not less than:

(a)   2 months notice;

(b)   such shorter period of notice as consented to by the Authority in writing and notified by National Grid NTS to the Relevant User.

24.1.3 The Relevant User shall prior to the Effective Date submit a Supply Point Renomination (and Supply Point Reconfirmation) in respect of the Non-Qualifying Supply Point such that the NTS Optional Commodity Rate no longer applies at the Relevant Supply Point from the Effective Date.

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