

UNC MODIFICATION PROPOSAL 696

(Addressing inequities between Capacity booking under the UNC and arrangements set out in relevant NExA)

Legal Text

Transportation Principal Document

SECTION B – SYSTEM USE AND CAPACITY

In paragraph 3.12.10(a) delete “Section G5.4.1” and replace it with “[Sections G5.4.1 and G5.4.5](#)”

In paragraph 4.6.8(c) delete “Section G5.4.1” and replace it with “[Sections G5.4.1 and G5.4.5](#)”

SECTION G – SUPPLY POINTS

Replace paragraph 5.1.5 with the following new paragraph 5.1.5:

5.1.5 The date under paragraph 5.1.4(d) shall be:

- (a) ~~except in paragraph (b),~~ 5 Supply Point Systems Business Days after the date upon which the application is submitted, subject to paragraphs (b) and/or (c) below; or
- (b) where it will (in accordance with paragraph 5.5) be necessary for the Transporter to assess the feasibility of making gas available for offtake, 21 Supply Point Systems Business Days, ~~after the date upon which the application is submitted;~~ or, if later,
- (c) in the case of a NeXA Supply Meter Point which is an LDZ Supply Meter Point, where the revised Supply Point Capacity specified in accordance with paragraph 5.1.4(c) exceeds any maximum daily rate of offtake specified in the Network Exit Agreement, the date with effect from which the Network Exit Agreement is to be amended so that such maximum rate of offtake is no less than the revised Supply Point Capacity so specified.

Insert the following new paragraph 5.4.5:

5.4.5 A User's Supply Point Capacity in respect of a NeXA Supply Meter Point which is an LDZ Supply Meter Point (including any proposed LDZ Supply Point) at any time shall be no greater than any maximum daily rate of offtake specified in the Network Exit Agreement in respect of such time.

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At the end of paragraph 5.4.2 and 5.4.3 insert "or 5.4.5" immediately before the final full stop.

In paragraph 5.4.3 delete the words "in paragraph 5.4.1" and replace them with "in paragraphs 5.4.1 and 5.4.5".

Transition Document Part IIC

1 - UNIFORM NETWORK CODE

Insert the following new paragraphs 1.17.13 and 1.17.14:

1.17.13 Where a Capacity Revision Application has been made in respect of a NeXA Supply Meter Point which is an LDZ Supply Meter Point and, as a consequence of such application, the Supply Point Capacity became, with effect from a date between 1 September 2018 and the implementation date of Modification Proposal 0696, greater than any maximum daily rate of offtake specified in the Network Exit Agreement, such increase in Supply Point Capacity shall be deemed not to have come into effect until the date with effect from which the Network Exit Agreement is amended so that such maximum rate of offtake is equal to or greater than the Supply Point Capacity which, but for this paragraph 1.17.13, would otherwise have applied.

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1.17.14 Where a Supply Point Confirmation in respect of a NeXA Supply Meter Point which is an LDZ Supply Meter Point came into effect on a date between 1 September 2018 and the implementation date of Modification Proposal 0696, and, as a result of such Supply Point Confirmation, the Supply Point Capacity of such NeXA Supply Meter Point became greater than the maximum daily rate of offtake specified in the relevant Network Exit Agreement, then the Supply Point Capacity of such Supply Meter Point shall be deemed to be equal to such maximum daily rate of offtake from the date on which the Supply Point Confirmation became effective until the date with effect from which the Network Exit Agreement is or was amended so as to specify a maximum daily offtake rate which is no less than the Supply Point Capacity specified in such Supply Point Confirmation (at which point the Supply Point Capacity shall increase to the amount which, but for this paragraph 1.17.14, would otherwise have applied).

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Legal Commentary

Sections B3.12.10(a) and B4.6.8(c) are amended so that NTS Exit (Flat) Commodity Charges and the LDZ Optional Capacity Rate (if ever relevant) would reflect the changes to Sections G5.1.1 and G5.4.5 discussed below.

The effect of the insertion of the additional restriction at Section G5.1.5(c), is that any application for an increase in capacity at an LDZ Supply Point which specifies a higher rate of offtake than that permitted in the NeXA, may only take effect from the date on which the

NeXA is amended so as to permit such increase. Consequently, any changes to limitations imposed by relevant NeXAs on the maximum rate of offtake and the effective date of such changes will need to be notified by Transporters to the CDSP.

The effect of the new Section G5.4.5 is to limit the permitted Supply Point Capacity at any LDZ Supply Point by reference to any maximum offtake rate limit specified in the NeXA. It would be preferable to recognise the NeXA's role in imposing such limitations by including express provision for it in section J 4.3 or J5.4, though the catch-all provision at J 4.3.2(c) already covers it.

For the purposes of Sections B3.12.10(a) and B4.6.8(c)(ii), the Shared Supply Meter Points procedures published by the CDSP pursuant to Section G1.7.17 may need to be revised.

The Transition Document Part IIC has been amended so that where, after 1 September 2018 but before implementation of the Modification Proposal, the Supply Point Capacity was increased above the maximum daily offtake rate permitted by a NeXA (whether as a result of an application to increase the capacity or a Supply Point Confirmation), the Supply Point Capacity shall be treated as being equal to that maximum daily offtake rate until such point as the NeXA provides for a maximum daily offtake rate to apply which is equal to or greater than the Supply Point Capacity as so increased or confirmed.

It has been assumed that the SSMP Transitional Phase has completed and there is no need to fiddle with Annex 1 to Transition Document Part IIC.