MODIFICATION 0116V

LEGAL TEXT

TPD SECTION B - SYSTEM USE AND CAPACITY

PARAGRAPH B4

Amend paragraph 4 to read as follows:

4 SUPPLY POINT CAPACITY AND LDZ CAPACITY

4.1 Introduction

- 4.1.1 Subject to the provisions of the Code, a User may:
 - (a) offtake gas from the Total System at any Registered NTS or LDZ Supply Point Component;
 - (b) by offtaking gas from the Total System at an LDZ System Exit Point, require a gas flow in the relevant LDZ; and
 - (c) offtake gas from the Total System at an LDZ Connected System Exit Point.
- 4.1.2 Nothing in this paragraph 4 shall apply in respect of an NTS Exit Point.
- 4.2.1 A User who submits a Supply Point Confirmation in respect of a Proposed Supply Point (whether an NTS Supply Point or an LDZ Supply Point) which includes a DM Supply Point Component shall thereby apply for Supply Point Capacity ("DM Supply Point Capacity") in accordance with Section G5.
- 4.6.1 A User shall pay:
 - (a) Capacity Charges ("LDZ Capacity Charges") in respect of its Registered LDZ Capacity at LDZ System Exit Points;
 - (b) Commodity Charges ("LDZ Commodity Charges") in respect of its use of each LDZ;
 - (c) Customer Charges in respect of its Registered NTS and LDZ Supply Points; and
 - (d) CSEP Charges in respect of each relevant Connected System Exit Point in relation to which it is a CSEP User.
- 4.6.9 Pursuant to the prevailing Transportation Statement, a User may elect that, for the purpose of paragraph 4.6.2, the Applicable Daily Rate of the LDZ Capacity Charge in respect of an LDZ Specified Exit Point shall be the LDZ Optional Capacity Rate, determined in accordance with the following provisions:

. . . .

- (c) for the purposes of this paragraph 4.6.9 the capacity of the LDZ Specified Exit Point shall be the Supply Point Capacity, determined in accordance with Section G5.4.1 except:
 - (i) for an LDZ Firm Supply Point the capacity shall be the sum of the DM Supply Point Capacity and the NDM Supply Point Capacity that the User is registered

- as holding from time to time in accordance with paragraphs 4.2 and 4.3 respectively;
- (ii) for an LDZ Interruptible Supply Point the capacity shall be the Supply Point Capacity determined in accordance with paragraph 4.6.5;
- (iii) for a Shared Supply <u>Meter</u> Point the capacity shall be determined in accordance with Section G1.7.15;
- (iv) for an LDZ CSEP the capacity shall be determined in accordance with paragraph 4.5.2;

. . . .

- 4.7.4 Notwithstanding paragraph 4.7.3, and unless the User's Registered Supply Point Capacity is increased other than pursuant to the Supply Point Ratchet, until the last Day of the calendar month in which the Supply Point Ratchet occurred the LDZ Capacity Charge (in the case of an LDZ Supply Point Component) and the Capacity Variable Component of the Customer Charge payable in respect of the Supply Point Component shall be determined on the basis of the User's Registered DM Supply Point Capacity on the Day of the Supply Point Ratchet (and not on the basis of the Ratchetted Supply Point Capacity).
- 4.7.5 For the avoidance of doubt (in the case of an LDZ Supply Point Component) the User's Registered LDZ Capacity will be increased so as to be equal to the Ratchetted Supply Point Capacity in accordance with paragraph 4.4.
- 4.7.6 The Supply Point Ratchet Charge shall be calculated as the Capacity Ratchet Amount multiplied by the sum of:
 - (a) 2 times the Applicable Annual Rate (including where determined in accordance with paragraph 1.8.5(b)) of the LDZ Capacity Charge (in the case of an LDZ Supply Point Component); and
 - (b) where applicable, 2 times the Applicable Annual Rate of the Capacity Variable Component (if any) of the Customer Charge

the rate in each case being determined (where such rate is a function of LDZ Capacity or Supply Point Capacity) by reference to the sum of the Capacity Ratchet Amount and the User's Registered Supply Point Capacity at the DM and any NDM Supply Point Component on the Day of the Supply Point Ratchet.