

MODIFICATION 0116V

LEGAL TEXT

TPD SECTION R – STORAGE

Amend paragraphs 3 and 4 to read as follows:

~~3~~ — **OFFTAKE OF GAS AT STORAGE CONNECTION POINTS**

~~3.1~~ — **NTS Exit Capacity**

~~3.1.1~~ — If, upon the application of a User, National Grid NTS has informed the User that a Storage Connection Point is 'eligible for firm transportation' for the purposes of this paragraph 3.1, the User may elect to hold (and pay NTS Exit Capacity Charges in respect of) NTS Exit Capacity at the Storage Connection Point.

~~3.1.2~~ — For the purposes of this paragraph 3, in relation to a Storage Connection Point:

- ~~(a)~~ — a "**Firm User**" is a User who holds Available NTS Exit Capacity at that point (pursuant to an election by that or another User under paragraph 3.1.1);
- ~~(b)~~ — the "**Aggregate Firm Offtake Rate**" is the rate of offtake determined as 1/24 of the aggregate amount (if any) of the NTS Exit Capacity for the time being held by Firm Users at that point;
- ~~(c)~~ — a User's "**Interruptible UDQO**" for a Day in relation to that point is:
 - ~~(i)~~ — subject to paragraph (ii), that User's UDQO;
 - ~~(ii)~~ — in the case of a Firm User, the amount (if any) by which its UDQO exceeds the amount of its Available NTS Exit Capacity at the point.

~~3.2~~ — **Interruption**

~~3.2.1~~ — The Transporter shall be entitled to require interruption (including a reduction in the rate) of the offtake (in aggregate by all Users) of gas from the Total System at a Storage Connection Point, by giving notice ("**SCP Interruption Notice**") to the Storage Operator and each Storage CSEP User, specifying:

- ~~(a)~~ — the time ("**interruption time**"), not being less than 5 hours after such notice was given, with effect from which such offtake of gas is to be interrupted; and
- ~~(b)~~ — the reduced aggregate rate (or discontinuance) of offtake required by such interruption; provided that such rate shall not be less than the Aggregate Firm Offtake Rate.

~~3.2.2~~ — Sections G6.7.3 (other than G6.7.3(b)) and G6.7.4 shall apply in respect of interruption under paragraph 3.2.1 at a Storage Connection Point.

~~3.2.3~~ — Storage CSEP Users shall secure compliance with any SCP Interruption Notice and shall be responsible for submitting Output Renominations accordingly.

~~3.2.4~~ — The Transporter may (but shall not be required to) agree pursuant to the Storage Connection Agreement that the Storage Operator will take such steps as are necessary to interrupt or reduce the rate of offtake of gas at the Storage Connection Point so as to comply with an SCP Interruption Notice.

~~3.2.5~~ — Where the Transporter has given an SCP Interruption Notice, as soon as reasonably possible

after the Transporter determines that the requirement for interruption no longer applies or will at a certain time cease to apply, the Transporter will so notify the Storage Operator and Storage CSEP Users specifying the time at which the requirement for such interruption will no longer apply.

~~3.3 — Days of interruption~~

~~3.3.1 — The number of Days on which the Transporter requires interruption at a Storage Connection Point shall be determined in accordance with Section G6.7.5.~~

~~3.3.2 — For the purposes of this paragraph 3, Section G6.5 (other than g6.5.6, 6.5.8 and 6.5.9) shall apply.~~

~~3.3.3 — The Transporter will not require interruption at a Storage Connection Point on more than 15 Days outside the Winter Period in any Gas Year.~~

~~3.4 — Failure to interrupt~~

~~3.4.1 — Section G6.5 (other than G6.5.6) shall apply for the purposes of this paragraph 3, subject as follows.~~

~~3.4.2 — For the purposes of Section G6.9.2(b)(i), in the context of interruption required at a Storage Connection Point, the amount payable by Storage CSEP Users in aggregate shall be calculated:~~

~~(a) — by reference to the basis of the Applicable Annual Rate of NTS Exit Capacity Charge for the Exit Zone in which the Storage Connection Point is located; and~~

~~(b) — on the basis of a notional Supply Point Capacity calculated as the difference between the rate (in MW) of offtake of gas at the Storage Connection Point immediately before the interruption time, and the reduced rate (including zero, subject to the proviso to paragraph 3.2.1(b)) of offtake (in MW) required by such interruption, multiplied by the period (in hours, divided by 24) from the interruption time until the end of the Gas Flow Day.~~

~~3.4.3 — For the purposes of Section G6.9.2(b)(ii), in the context of interruption required at a Storage Connection Point, the term 'Y' shall be the aggregate quantity of gas offtaken, at times when the SGP Interruption Notice was in force, at a rate in excess of the reduced rate (including zero, subject to the proviso to paragraph 3.2.1(b)) of offtake (in MW) required by such interruption.~~

~~3.4.4 — Section G6.9.8 shall not apply, but the Storage Connection Point shall be counted as a Registered Interruptible Supply Point for the purposes of the further application of Section G6.9.7.~~

~~3.4.5 — Subject to paragraph 3.4.6, in relation to a Storage Connection Point, Storage CSEP Users (including the Storage Operator) shall be liable for the aggregate amounts payable pursuant to paragraph 3.4.1 in respect of a Day in the proportions of their respective Interruptible UDQOs in respect of the Storage Connection Point.~~

~~3.4.6 — Where Storage CSEP Users have appointed a User Agent for the purposes of determining the allocation of such amounts:~~

~~(a) — the Transporter will notify to such agent the aggregate amounts payable pursuant to paragraph 3.4.1 not later than 6 Days after the Gas Flow Day;~~

~~(b) — where the agent notifies the Transporter, not later than the Exit Close-out Date, an allocation of such amounts (in aggregate equal to the aggregate amount notified by the Transporter under paragraph (a)) between particular Storage CSEP Users specified by the agent, paragraph 3.4.5 shall not apply, and Storage CSEP Users will be liable for~~

~~such amounts in accordance with the agent's notification to the Transporter.~~

~~3.5 Interpretation~~

~~3.5.1 In this paragraph 3 "Storage CSEP User" means a CSEP User in respect of a Storage Connection Point.~~

~~3.5.2 Where any provision of Section G6 is to apply for the purposes of this paragraph 3, such references in Section G6 to the terms in the first column in the table below shall be construed as references to the terms (as used in relation to a particular Storage Connection Point in this paragraph 3) in the second such column:~~

Section G6	This paragraph 3
Interruption	Interruption under paragraph 3.2
Interruption Notice	SCP Interruption Notice
Supply Point or Interruptible Supply Point	Storage Connection Point
Supply Meter Point	Any Individual System Exit Point comprised in the Storage Connection Point
User or Registered User	All of the Storage CSEP Users, or where the context admits, a particular Storage CSEP User
The requirement in Section G6.7.2(b)	The requirement for interruption under paragraph 3.2
TNI Supply Point	A Storage Connection Point subject to a designation by the Transporter pursuant to Section G6.5.1

3 ~~4~~ **CONSTRAINED STORAGE**

3.1 ~~4.1~~ **Introduction**

3.1.1 ~~4.1.1~~ The Storage Facilities for which National Grid LNG Storage is the Storage Operator at Dynevor Arms and Avonmouth are each a "**Constrained Storage Facility**" in relation to a Storage Year for the purposes of this paragraph 4.3.

3.1.2 ~~4.1.2~~ National Grid NTS shall be entitled to require Storage Users to nominate gas for withdrawal from a Constrained Storage Facility in accordance with this paragraph 4.3.

3.1.3 ~~4.1.3~~ Where any Storage Facility is to be a Constrained Storage Facility for a Storage Year, National Grid NTS will, not later than 1 March before the start of such Storage Year, publish a document (the "**Constrained Storage Statement**") containing the following details for each Constrained Storage Facility:

- (a) the "**Constrained Point(s)**", being a point or points on the NTS as identified by National Grid NTS as being relevant, for the purposes of this paragraph 4.3, to a Constrained Storage Facility;
- (b) the rate of flow ("**Constrained Threshold Demand Flow**") at a Constrained Storage Point at which National Grid NTS may make Constrained Storage Renominations in respect of the relevant Constrained Storage Facility;
- (c) the Capacity Charges for NTS Entry Capacity at the relevant Storage Connection Point; and
- (d) a percentage for each Week in the Winter Period for the purposes of paragraph

4.4.3.3.4.3.

3.1.4 ~~4.1.4~~ The Storage Operator and National Grid NTS will (and National Grid NTS is authorised to) provide to each other all such information concerning Users holding Storage Space in a Constrained Storage Facility (including details of their gas-in-storage and Storage Space) as may be required to give effect to this paragraph ~~4.3~~; and National Grid NTS may delegate to the Storage Operator the making of any determination which is required for the implementation of this paragraph ~~4.3~~.

3.1.5 ~~4.1.5~~ This paragraph ~~4.3~~ shall not apply to National Grid NTS when acting for Operating Margins Purposes as a Storage User of a Constrained Storage Facility, and references in this paragraph ~~4.3~~ to Users do not include a reference to National Grid NTS when so acting.

3.1.6 ~~4.1.6~~ The amounts payable by Users by way of Capacity Charges for NTS Entry Capacity at the Storage Connection Point at a Constrained Storage Facility shall be adjusted on the basis set out in National Grid NTS's Transportation Statement.

3.2 ~~4.2~~ **Constrained Storage Renominations**

3.2.1 ~~4.2.1~~ Each User holding Storage Space in a Constrained Storage Facility authorises National Grid NTS to make an Input Nomination ("**Constrained Storage Renomination**") in respect of the relevant Storage Connection Point on behalf of the User in accordance with this paragraph ~~4.3~~.

3.2.2 ~~4.2.2~~ Subject to paragraph ~~4.4,3.4~~, a Constrained Storage Renomination will be made as a Renomination, including a New Renomination where the relevant User has not already made an Input Nomination in respect of the relevant Storage Connection Point (and accordingly will not be made by the Applicable Storage Nomination Time).

3.2.3 ~~4.2.3~~ National Grid NTS may make Constrained Storage Renominations in respect of a Constrained Storage Facility in respect of any Day (a "**Constrained Storage Day**") where at 16:00 on the Preceding Day and/or at any subsequent Demand Forecast Time, the forecast flow, at the relevant Constrained Point, exceeds the Constrained Threshold Demand Flow; and where National Grid NTS makes a Constrained Storage Renomination, it will notify Users of the forecast flow at the Constrained Point.

3.2.4 ~~4.2.4~~ The Nomination Quantity ("**Constrained Nomination Quantity**") under a Constrained Storage Renomination shall be:

- (a) in the case of a National Grid LNG Storage Facility, the Storage Constrained Nomination Quantity determined in accordance with Section Z6.9; and
- (b) in the case of any other Storage Facility, the quantity determined in accordance with the relevant Storage Terms.

3.2.5 ~~4.2.5~~ Without prejudice to Section Z6.2.8, on a Constrained Storage Day a User may not make any Renomination in respect of the relevant Storage Connection Point to reduce the Constrained Nomination Quantity (and any such Renomination purportedly made may be disregarded); provided that a User may post a Market Offer to effect a Locational Market Transaction in relation to which the User agrees to make an Acquiring Trade Nomination for the System Entry Point comprising the relevant Storage Connection Point for a Constrained Storage Day.

3.2.6 ~~4.2.6~~ Where, on a Constrained Storage Day after Constrained Storage Renominations have been made, actual flow for a Constrained Point increases, National Grid NTS will notify Users and may make further Constrained Storage Renominations in accordance with this paragraph ~~4.3~~.

3.2.7 ~~4.2.7~~ Where, on a Constrained Storage Day after Constrained Storage Renominations have been made, actual flow in respect of a Constrained Point is reduced to less than 90% of the Constrained Threshold Demand Flow, National Grid NTS will notify Users and revise the Constrained Storage Renominations such that the Constrained Nomination Quantities are, in the case of Constrained Storage Renominations:

- (a) in respect of a National Grid LNG Storage Facility, equivalent to the Storage Constrained Nomination Quantities determined in accordance with Section Z6.9.4; and
- (b) in respect of any other Storage Facility, equivalent to the quantities determined in accordance with the relevant Storage Terms.

3.2.8 ~~4.2.8~~ The aggregate amount ("**Total Constrained Quantity**") of gas for which National Grid NTS on a Constrained Storage Day makes Constrained Storage Renominations in respect of a Constrained Storage Facility shall not exceed either:

- (a) the maximum Storage Deliverability for that facility (as specified in the Storage Connection Agreement or otherwise agreed between National Grid NTS and the Storage Operator); or
- (b) the aggregate amount of all Users' gas-in-storage in that facility on the relevant Day.

3.3 ~~4.3~~ **Effect of nomination**

3.3.1 ~~4.3.1~~ The relevant Storage Terms will provide in relation to a User holding Storage Space in a Constrained Storage Facility to authorise the Storage Operator to deliver gas to the Total System at the Storage Connection Point pursuant to a Constrained Storage Renomination.

3.3.2 ~~4.3.2~~ Users will be responsible for ensuring they have sufficient Storage Deliverability to enable any Constrained Storage Renomination to be complied with, and National Grid NTS will not be concerned with any question whether the Storage Renomination Quantity exceeds the User's Storage Deliverability in the Constrained Storage Facility; and the Storage Connection Agreement will require the Storage Operator to comply with the Constrained Storage Renomination irrespective of whether it will (in accordance with the Storage Terms) result in the User becoming liable for any charge to the Storage Operator.

3.4 ~~4.4~~ **Minimum inventory requirements**

3.4.1 ~~4.4.1~~ Subject to paragraph ~~4.4.4~~3.4.4, on each Day in each week in the Winter Period, a User's gas-in-storage in each Constrained Storage Facility shall not be less than the Weekly Minimum Requirement.

3.4.2 ~~4.4.2~~ Each User holding Storage Space in a Constrained Storage Facility shall secure that the requirement in paragraph ~~4.4.13~~3.4.1 is at all times in the Winter Period satisfied.

3.4.3 ~~4.4.3~~ For each User the "**Weekly Minimum Requirement**" for a Constrained Storage Facility in respect of any week in the Winter Period is the amount determined as the relevant percentage of the User's Available Storage Space (as defined in Section Z), for which purpose the relevant percentage is the percentage set out in respect of such week for such facility in the Constrained Storage Document; and the "**Aggregate Weekly Minimum Requirement**" in respect of any such week is the amount determined as the relevant percentage of the Maximum Storage Space (less Storage Space held by National Grid NTS for Operating Margins Purposes) in the Constrained Storage Facility.

3.4.4 ~~4.4.4~~ Without prejudice to paragraph ~~4.4.5~~3.4.5, the requirement in paragraph ~~4.4.13~~3.4.1 shall not be treated as not being satisfied where by reason of a Constrained Storage Renomination a User's gas-in-storage in a Constrained Storage Facility becomes less than the Weekly Minimum Requirement.

3.4.5 ~~4.4.5~~ Where at any time in the Winter Period a User's gas-in-storage in a Constrained Storage Facility is for the time being less than the Weekly Minimum Requirement (whether or not as a result of any Constrained Storage Renomination), the User may not make any Input Nomination in respect of the relevant Storage Connection Point for the relevant Constrained Storage Facility; but National Grid NTS may continue to make Constrained Storage Renominations in accordance with this paragraph ~~4.3~~.

3.4.6 ~~4.4.6~~ National Grid NTS may but shall not be required to reject an Input Nomination in respect of the relevant Storage Connection Point for the Constrained Storage Facility which would result in the requirement in paragraph ~~4.4.13.4.1~~ ceasing to be satisfied or is made at a time at which such requirement is not satisfied.

3.4.7 ~~4.4.7~~ Where as respects any User and any Constrained Storage Facility:

- (a) on the first Day of the Winter Period the requirement in paragraph ~~4.4.13.4.1~~ is not satisfied; or
- (b) on any other Day in the Winter Period (subject to paragraph ~~4.4.43.4.4~~) the requirement in paragraph ~~4.4.13.4.1~~ ceases to be satisfied

paragraph ~~4.4.83.4.8~~ shall apply.

3.4.8 ~~4.4.8~~ In the circumstances in paragraph ~~4.4.73.4.7~~:

- (a) the Storage Connection Agreement and Storage Terms will provide that, or will provide that National Grid NTS may elect that (on such terms as between the Storage Operator and User, as may be provided in the Storage Terms) the Storage Operator (as User) shall make Output Nominations in respect of the Storage Connection Point (for injection to the Constrained Storage Facility), on or as soon as reasonably practicable after the relevant Day under paragraph ~~4.4.7,3.4.7~~, for a quantity or quantities equal in aggregate to the relevant quantity (and may but shall not be obliged to secure the delivery to the Total System of a quantity of gas not exceeding the relevant quantity);
- (b) such injection quantity(ies) will be treated as injected by the User to the Constrained Storage Facility, for the purposes of the relevant Storage Terms, but will not be treated as offtaken from the Total System by the User.

3.4.9 ~~4.4.9~~ For the purposes of paragraph ~~4.4.83.4.8~~ the relevant quantity is the amount by which the User's gas-in-storage in the relevant Constrained Storage Facility was, on the relevant Day under paragraph ~~4.4.7,3.4.7~~, less than the Weekly Minimum Requirement.

3.4.10 ~~4.4.10~~ A User will not make a Storage Withdrawal Nomination which would result in the requirement in paragraph ~~4.4.13.4.1~~ ceasing to be satisfied or at a time at which such requirement is not satisfied.