

UNC Modification Proposal 0541A

Ex-ante removal of uncontrollable UNC charges at ASEP's which include sub-terminals operating on a 06.00 to 06.00 Gas Day

Business Rules

Balancing Neutrality Charge Amendment (including Scheduling Charges)

1. Month + 15 Business Days – Entry Close-out Date for Users to provide their entry allocations to National Grid NTS for the preceding month M (UNC TPD E1.8.1).
2. Each User at the relevant sub-terminals will provide a **'pseudo' Entry Allocation Statement** (i.e. for a 06:00 to 06:00 period) to National Grid NTS at that System Entry Point (this supplements, and is additional to, the User's obligation to provide the **Entry Allocation Statement** (i.e. for a 05:00 to 05:00 Gas Day) at that System Entry point as per UNC TPD E2.1.2). Data requirements for the 'pseudo' Entry Allocation Statements will mirror those in place for the Entry Allocation Statement. The deadline for submission of 'pseudo' Entry Allocation Statements' is the Entry Close-out Date (i.e. M+15). In validating such 'pseudo' Entry Allocation Statements:
 - a. the sum of such 'pseudo' Entry Allocation Statements must be equal to a **'pseudo' Entry Point Daily Quantity Delivered** (i.e. for a 06:00 to 06:00 period) akin to UNC TPD E2.1.7(b). This information is provided to National Grid NTS by the file sent via the CVA. The 'pseudo' Entry Point Daily Quantity Delivered can be derived from this information; and
 - b. if the sum of the aforementioned values are not equal to the 'pseudo' Entry Point Daily Quantity Delivered, then the **'pseudo' Entry Allocation Volume** (i.e. for a 06:00 to 06:00 period) for each relevant User at the System Entry Point will be adjusted by National Grid NTS in proportion to the Nominated Quantities under their respective Input Nominations for that System Entry Point akin to UNC TPD E2.1.8.
3. Month + 19 Business Days – Time Shift Balancing Neutrality Charges are calculated.
4. Month + 23 Business Days – Energy Balancing Invoice is issued to Users.
5. Month + 19 Business Days – the User's 'pseudo' Entry Allocation Volume at the relevant System Entry Point is compared to the User's **Entry Allocation Volume** (i.e. for a 05:00 to 05:00 period) at the relevant System Entry Point to calculate (as per the following paragraph) the value of the Neutrality Charge Amendment Volume.
6. The User's Imbalance Charge Amendment Volume for each day is calculated as follows:

System Entry Point Time Shift Volume = Entry Allocation Volume – 'pseudo' Entry Allocation Volume

Standard Imbalance Volume = UDQI (i.e. 05:00 to 05:00) – UDQO (i.e. 05:00 to 05:00)

Imbalance Charge Amendment Volume = Standard Imbalance Volume – (the sum of System Entry Point Time Shift Volumes for the relevant System Entry Points)

7. The Imbalance Charge Amendment Volume for month M, is reflected in the Balancing Neutrality Charges included in the Month + 23 Business Days invoice for all Users subject to Balancing Neutrality.
8. Scheduling Charges are subject to the same Invoice timetable as Balancing Neutrality, the calculation for the Scheduling Charge Amendment Volume for each User at a System Entry Point on a Gas Day is as follows:

Time Shift Scheduling Volume = Gas Flow nominations (entry) at the relevant System Entry Point – (System Entry Point Time Shift Volume + Entry Allocation Volume)

Standard Scheduling Charge Volume = Gas Flow nominations (entry) at the relevant System Entry Point – Entry Allocation Volume

Scheduling Charge Amendment Volume = Standard Scheduling Charge Volume – Time Shift Scheduling Volume

9. The Scheduling Charge Amendment Volume for month M, is reflected in the Balancing Neutrality Charges included in the Month + 23 Business Days invoice for all Users subject to Balancing Neutrality.

Capacity Neutrality Overrun Charge Amendment

10. Month + 4 Business Days - NTS Entry Capacity and NTS Capacity Neutrality Invoices are issued.
11. M+1 + 4 Business Days - NTS Entry Capacity Invoices issued to include any Overrun charges from month M.
12. Month + 1 + 4 Business Days – the User’s ‘pseudo’ Entry Allocation at any relevant System Entry Point (within an Aggregate System Entry Point (ASEP)) is compared to the User’s Entry Allocation. Overrun exposure is determined in accordance with the following calculation to determine the value of the Time Shift Amended Overrun Volume to amend the relevant NTS Entry Capacity Invoice via a Capacity Neutrality Charge Invoice.
13. NTS Entry Capacity Overrun Charge Amendment Volume at an ASEP for a Gas Day is calculated as follows:

Time Shift Overrun Volume = User Capacity Entitlement at the ASEP – ((sum of the User’s Entry Allocations at all System Entry Points within the ASEP) + (sum of any System Entry Point Time Shift Volumes at System Entry Points within the ASEP))

Standard Overrun Volume = User Capacity Entitlement at the ASEP – (sum of Entry Allocations for all System Entry Points at the ASEP)

Overrun Charge Amendment Volume = Standard Overrun Volume – Time Shift Overrun Volume

14. The Overrun Charge Amendment Volume for month M, is reflected in the Capacity Neutrality Charges included in the Month + 1 + 4 Business Days invoice for all Users subject to Capacity Neutrality.

Incentivised Nomination Charge Amendment

15. Month + 19 Business Days - Balancing Neutrality Charges are calculated.
16. Month + 23 Business Days - Energy Balancing Invoice is issued to Users.

17. The User's 'pseudo' Entry Allocations at any relevant System Entry Point is compared to the User's equivalent Entry Allocations. Incentivised Nomination Charge exposure is determined in accordance with the following calculation to determine the value of the INS Charge Amendment Volume for the relevant invoice issued at Month + 23 Business Days

18. INS Charge Amendment Volume is calculated as follows:

Time Shift INS Performance Measure = absolute (Forecast Daily Imbalance – (Daily Imbalance + (sum of any System Entry Point Time Shift Volumes))

Standard INS Performance Measure = absolute (Forecast Daily Imbalance – Daily Imbalance) [as per UNC TPD 5.3.8(a)]

INS Charge Amendment Volume = Standard INS Performance Measure - Time Shift INS Performance Measure

19. The INS Charge Amendment Volume for month M, is reflected in the Balancing Neutrality Charges included in the Month + 23 Business Days invoice for all Users subject to Balancing Neutrality.

Capacity Neutrality and Balancing Neutrality

20. As per existing processes, Capacity Neutrality and Balancing Neutrality charge amendments will be socialised via the Neutrality mechanisms to all Users, including those at 06:00 to 06:00 sub-terminals (System Entry Points):

a. for Balancing Neutrality, on the basis of User throughput (sum of UDQI and UDQO – both based upon 05:00 to 05:00 Entry and Exit Allocations respectively); and

b. for Capacity Neutrality, on the basis of 'end of day' firm capacity entitlements.

Retrospective Amendment

21. Following the date of implementation of the Modification (i.e. Transporter system changes implemented), Users at 06:00 to 06:00 sub-terminals will provide their daily 'pseudo' Entry Allocation Statements for the *retrospective period* (back to and including 1st October 2015) to National Grid NTS within [30] days. The validation specified in rule 4a and 4b will be applied to such values.

22. In order for the amendments to be processed at a sub-terminal, all Users at the relevant sub-terminal must submit 'pseudo' Entry Allocation Statements for the retrospective period

23. Capacity Neutrality and Balancing Neutrality amendments (as described in business rules 1 to 20) in respect of the retrospective period will be reflected in revised Balancing Neutrality and Capacity Neutrality charges (in the form of invoice adjustments) within [3] months of expiry of the notice period in rule 21.