

## Suggested text for Mod 560

*Insert in Transition Document Part VA a new paragraph 2.3 as follows:*

### 2.3 Transitional Correction for Europe Reference Conditions

2.3.1 It is acknowledged that, in relation to the Bacton BBL Interconnection Point, pursuant to the Interconnection Agreement, quantities allocated to Users are determined on the basis of the Europe Reference Conditions referred to in EID Section A1.5.1 with effect from 1st October 2015; and accordingly National Grid NTS shall carry out, in respect of the Bacton BBL Interconnection Point, for each Day in the period from 1st October 2015 to the Day before the date in Transition Document Part VA paragraph 2.2.1 (the “**Correction Period**”), a transitional correction for Europe Reference Conditions in accordance with this Part VA paragraph 2.3.

2.3.2 For each Day in the Correction Period, for each User in respect of Bacton BBL Interconnection Point:

- (a) the “**Adjusted**” UDQI and UDQO shall be determined as (respectively) the User’s UDQO and UDQI, as determined in accordance with EID Section D and TPD Section E, adjusted by the conversion factor specified in EID Section A1.5.6;
- (b) the “**Adjusted Daily Imbalance Charge**” shall be determined as the amount of the Daily Imbalance Charge which would have been payable by or to the User if the User’s Adjusted UDQI and UDQO had been used in calculating the User’s Daily Imbalance;
- (c) the “**Imbalance Adjustment Charge**” shall be determined as the difference (treating amounts payable to the User as positive and by the User as negative) between the Daily Imbalance Charge and the Adjusted Daily Imbalance Charge;
- (d) the Imbalance Adjustment Charge shall be payable to the User (where positive) and by the User (where negative).

2.3.3 Amounts payable in respect of Imbalance Adjustment Charges in respect of Days in each month in the Correction Period shall be invoiced in an Adjustment Invoice in respect of such month and payable in accordance with TPD Section S; provided that the first such Adjustment Invoice shall include such amounts in respect of all Days from the start of the Correction Period until the end of the month in respect of which such Adjustment Invoice is issued.

2.3.4 Amounts in respect of Imbalance Adjustment Charges, for Days in a month, payable:

- (a) to a User, shall be additional Monthly Adjustment Neutrality Costs in respect of such month for the purposes of TPD Section F4.5.3(a)(v);
- (b) by a User:
  - (i) shall be additional Monthly Adjustment Neutrality Revenues in respect of such month for the purposes of TPD Section F4.5.3(b)(iv);
  - (ii) shall be counted for the purposes of TPD Section F4.5.3(a)(ii) and (b)(ii) as if they were specified in those paragraphs;

provided that, in respect of each month in the Correction Period before the month in respect of which the first Adjustment Invoice is issued (as provided in paragraph 2.3.3):

- (c) for every User, the amount of the Monthly Adjustment Neutrality Amount for such month shall be recalculated on the basis in paragraph (b)(i) and (ii), and the required adjustment amount calculated (to put the User in the same position as if the recalculated amount had originally been invoiced);
- (d) such adjustment amount:
  - (i) shall be payable by or to the User (as the case may be), and shall be invoiced in the first Adjustment Invoice referred to in paragraph 2.3.3;
  - (ii) where payable by the User, shall be counted for the purposes of TPD Section F4.5.3(a)(ii) and (b)(ii) as if it were an amount specified in those paragraphs.

2.3.5 Except as provided in paragraph 2.3.3, no other adjustment shall be made (to any UDQI or UDQO or other quantity) and no other account shall be taken for the purposes of the Code in relation to an Interconnection Point in respect of the difference between the Europe Reference Conditions (applying at the Bacton BBL Interconnection Point) and the Code Reference Conditions in respect of any Day in the Correction Period.