Modification Report Introduction of the Code Contingency Guidelines Document Modification Reference Number 0250 Version 3.0

This Modification Report is made pursuant to Rule 9.3.1 of the Modification Rules and follows the format required under Rule 9.4.

1 The Modification Proposal

Background to the Proposal

Prevailing Code Contingency Arrangements

The existing Code Contingency Arrangements have been in place for a number of years without any significant review of their appropriateness being undertaken in that time. The 'Gemini' system failure in October 2007 highlighted to the industry the importance of having clear, accessible, well understood and tested contingency arrangements which reflect the differing needs and priorities of Users and Transporters.

Review Group 0217 "Gemini Code Contingency Arrangements"

In July 2008, Review Group 0217 – 'Gemini Code Contingency Arrangements' was initiated and sought to review Gemini Code Contingency procedures and recommend revisions where required. The principle aim of the Review Group was to develop a clear understanding among Users and Transporters of the balance between the risks of a prolonged Code Contingency occurring and the costs of the various contingency options available.

The Review Group 0217 sought to explore how improvements in the accessibility and familiarisation of the Code Contingency arrangements could be achieved, and concluded that the following recommendations should be taken forward:

- 1. The introduction of "Code Contingency Guidelines Documents" which setout in detail the processes to be followed in the event of a partial or complete failure of UK Link.
- 2. The governance arrangements applied to the Guidelines through its inclusion as a UNC Related Document under Section V12 of the UNC.
- 3. Raise a Modification Proposal that reflected the recommendations as set out in the Final Review Group Report issued to the March 2009 UNC Modification Panel.
- 4. Provide the suggested text in order to implement the proposed changes.

Code Contingency Guidelines

The Review Group 0217 initially set out to address 'Gemini' Code Contingency issues, however, during the discussions; there was a general consensus that there is benefit in having all UK Link contingency procedures within a consolidated Guidelines document.

Prevailing contingency arrangements are provided under Section 7 - 'Fall-Back Arrangements' of the UK Link Manual, and the Code Contingency Manual (associated to the UK Link Manual). These documents provide the industry

with the contingency procedures, processes and framework of the roles and responsibilities required to be performed during a Code Contingency. One of the concerns highlighted by Review Group 0217 was that these prevailing documents are fragmented and are not easily accessible. We believe that replacing UK Link Manual contingency documentation with a consolidated Code Contingency Guidelines document will provide the transparency and accessibility required to facilitate greater familiarity with the proposed contingency arrangements and that such familiarity may ensure that the guidelines are regularly maintained.

The Review Group 0217 generally accepted that the within-day nature of 'Gemini' (energy balancing and entry capacity) processes may hold the greatest commercial risk to the community in the event of a system failure. Therefore, National Grid NTS believes that the provision of greater definition and clarity in respect of the 'Gemini' Code Contingency processes will mitigate the risks associated to within-day information provision and operations.

Although it is envisaged that the Guidelines will include details of all UK Link Code Contingency arrangements, however the initial draft of the Guidelines (Appendix A) will be limited to the detailed arrangements, and revised Contingency Procedures relating to those Code Contingencies associated with "Gemini Code Contingencies". Other UK Link core processes for example, Supply Point Administration (SPA), Site and Meters and Invoicing and their associated Code Contingencies will be incorporated at a later date.

It should be noted that in respect of Code Contingency arrangements required for other UK Link core processes there are minimal processes and procedures currently detailed within the Code Contingency Manual or in Section 7 – 'Fallback Arrangements' of the UK Link Manual.

UK Link Refresh Project

We understand that as part of the 'UK Link Refresh' Project it was recognised that a review of SPA contingency arrangements was required, and such a review is planned to take place in due course.

We had considered whether it would be appropriate to include the SPA contingency review within the scope of the Review Group 0217; however we believe that whilst there is an interaction between the respective areas, the issues and parties affected differ to such an extent that it would preclude a consolidated review.

We welcome the initiation of a review of SPA contingency processes and suggest that an outcome of this review is the drafting of the detailed Code Contingency procedures and guidelines which can be incorporated into the proposed Guidelines document.

Improving access to, and familiarisation of, Contingency Guidelines documentation, processes and procedures

During the Review Group 0217 discussions it became clear that the key issues identified during the October 2007 outage was the lack of accessibility of contingency documentation and, familiarisation of Code Contingency procedures and the Code Contingency arrangements.

In order to address these key issues, it was considered appropriate to:-

- a) Introduce a composite, single Guidelines document that contains all the details associated with Code Contingency arrangements.
- b) Provide the Guidelines in a public-facing, easily accessible source.
- c) Introduce an appropriate level of testing of the Code Contingency arrangements.

Nature of the Proposal

National Grid NTS fully supports the Review Group 0217 view that there is benefit in the incorporation of all Code Contingencies communication processes and procedural documentation into a single, consolidated document and this Modification Proposal is drafted on this basis.

As a result of the recommendation made by the Review Group 0217 this Modification Proposal seeks to;

1. Introduce the Code Contingency Guidelines ("the Guidelines") document, as developed by the Review Group 0217.

The Review Group 0217 recommended that the Guidelines should be governed under the Transportation Principle Document (TPD) Section V12 of the UNC however, National Grid NTS has since identified several issues associated with dual governance:

- a) UK Link-related processes and procedures are governed under TPD Section U (UK Link).
- b) When applying such changes to 'Gemini' and other UK Link Code Contingency procedures.
- c) Where we believe that any future proposed changes to the Guidelines Chapter 4 - Gemini Code Contingency Arrangements, may have a materially detrimental impact on Users or Transporters during a Code Contingency.

In hindsight, National Grid NTS has carefully considered that utilising Section V12 introduces dual governance issues whereas utilising the UK Link Manual (under Section U; UK Link) would provide a satisfactory form of governance for the Code Contingency arrangements. This approach provides alignment with the prevailing UK Link governance arrangements whereby changes to UK Link, for example, systems and documentation, are considered by the UK Link Committee.

We therefore consider that it is appropriate for the Guidelines to be annexed to the UK Link Manual (effected via Section U) as this resolves the issue of UK Link-related rules being split between Section U and Section V12.

In addition, keeping the Guidelines under the governance of the UK Link Manual means that, in due course, any revisions of other UK Link Code Contingency Arrangements can be implemented into the Guidelines through a UK Link Modification rather than requiring a UNC Code Modification Proposal.

As a consequence of classifying the Guidelines as a modification (annex)

to the UK Link Manual, this Modification Proposal is required for the introduction of the Guidelines only to the extent that when referring to the 'Contingency Procedures', the TPD may be required to reference the Code Contingency Guidelines as an annex of the UK Link Manual.

Please note that the Code Contingency Guidelines Document, a copy of which accompanies this Proposal, has been revised such that it appropriately reflects the intent of the Modification Proposal; to achieve governance of the Guidelines through the UK Link Manual.

Note. The introduction of the Guidelines i.e. annexed to the UK Link Manual will be effected through a UK Link Class 1 Modification.

2. Revise relevant Sections of Code to provide for additional instances of Class 'A' Contingencies.

Where certain Code Contingencies occur and continue for prolonged periods and/or at particular times, certain Code obligations (particularly relating to timings or the basis on which a charge is calculated) may be required to be modified for the duration of the Code Contingency. These instances of Code Contingency are defined within the TPD under Section U6.3 as a 'Class A Contingency' with the details of any modification to Code obligations set out within the relevant sections of Code. The Review Group 0217 identified several areas of Code where, during a Code Contingency amendment to Code may be required for the duration of the Contingency.

3. Publication of the Contingency 'Guidelines'

The Review Group 0217 recommended that the Code Contingency 'Guidelines' document should be published through a single, easily accessible point. We anticipate that following negotiation and agreement between Transporters, xoserve and the Joint Office, the Guidelines document will be published through the Joint Office Website and that this will achieve the Review Groups recommendation.

Suggested Text

6 CONTINGENCY ARRANGEMENTS

6.1 General

- 6.1.1 For the purposes of the Code:
 - (a) The "Code Contingency Guidelines Documents" forms part of the UK Link Manual, it is entitled and issued by the Transporters, and from time to time maybe revised in accordance with Section U8 UK Link Modifications.
 - i The Code Contingency Guidelines document provides consolidated guidelines of the Contingency Arrangements in place for UK Link Users and Transporters;
 - ii It shall be an obligation of the Transporter or a UK Link User to comply with a provision of the Code Contingency Guidelines

 Documents in accordance with Section U1.4.2;

0250: Introduction of the Code Contingency Guidelines Document

- The Code Contingency Guidelines Documents does not form a part of the Code and in case of any conflict between the Code and the Code Contingency Guidelines Documents, the Code shall prevail.
- the "Contingency Procedures' are procedures documented in (b) the 'Code Contingency Guidelines Document' forming part of the UK Link Manual for the Transporter and Users to communicate with each other in the event of a Code Contingency, the Contingency Procedure forming part of;
- a "Code Contingency" is an event or circumstance affecting (c) UK Link, of a kind specified in the Contingency Procedures, which affects the ability of the Transporters or Users (or where so specified in the Contingency Procedures, of a particular Transporter or User or particular Transporters or Users) to give or receive UK Link Communications, or to generate information to be contained in a Code Communication.

6.3 Class A Contingencies

- It is agreed that where certain Code Contingencies occur or continue for particular periods or at particular times:
- (a) the application of certain provisions of the Code (in particular, the requirement for Users to pay certain charges, or the basis on which such charges are determined), will be modified); and/or
- (b) the timetable provided for in the Code for the giving of certain Code Communications may be extended as provided in the relevant Section of the Code.
- 6.3.2 A Code Contingency of the kind referred to in paragraph 6.3.1 is a "Class A Contingency".
- 6.3.3 The Code Contingencies which are Class A Contingencies are specified, for the purposes of the relevant provisions of the Code, in the Contingency Procedures.

Class A Contingency and Code Contingency references proposed and prevailing TPD

Section B – System Use and Capacity

Code Contingencies

In the event of a **Class A Contingency** (in accordance with Section U6) occurring during the Gas flow day;

- Where National Grid NTS is unable to complete a Clearing (i) Auction for a Relevant Day then Capacity Overrun charges will not apply for the Relevant Day; and
- (ii) NTS Entry Capacity Auctions (as defined in Section B2) will be run in accordance with the relevant Contingency Procedures as described with in the Code Contingency Guidelines Document.

In the event of a **Class A Contingency** (in accordance with Section U6)

occurring during a period where;

- (i) Capacity Constraint Management processes are required; and/or
- (ii) Surrender of NTS Entry Capacity (as defined under paragraph B2.10) is required; and/or
- (iii) Registration of secondary Capacity Trading processes are required; and/or

will be run in accordance with the relevant Contingency Procedures as described with in the Code Contingency Guidelines Document.

Section C – Nominations

Code Contingencies

In the event of a Class A Contingency (in accordance with Section U6) occurring Nominations, Trade Nominations, Re-Nominations will be required to be registered for each relevant day as an aggregate figure, and will be registered in accordance with the relevant Contingency Procedures as described in the Code Contingency Guidelines Document these arrangements will apply for the duration of the relevant Code Contingency.

Section D – Operational, Balancing and Trading Arrangements

In the event of a Class A Contingency (in accordance with Section U6), occurring the relevant Contingency Procedures as described in the Code Contingency Guidelines Document will apply for the duration of the relevant Code Contingency.

Section E – Daily Quantities, Imbalances and Reconciliation

Code Contingencies

In the event of a **Class A Contingency** (in accordance with Section U6) occurring during a period where;

- (i) After the Gas Flow Day balancing information (Section E1.6); and/or
- (ii) <u>Submission of Entry Allocation statement processes (Section</u> E2.1): and/or
- (iii) <u>Unclaimed Entry Allocation statement information (Section E2.3).</u>

The provision of such information and Statements will be run in accordance the relevant Contingency Procedures as described in the Code Contingency Guidelines Document will apply for the duration of the relevant Code Contingency.

Section F - System Clearing, Balancing Charges and Neutrality

- 2.3.1 (b) where the Daily Imbalance is negative, the System Marginal Buy Price for the Gas Flow Day.
- 2.3.2 In the event of a **Class A Contingency** (in accordance with Section U6) occurring on the Gas Flow Day the references in paragraph 2.3.1(b) to System Marginal Sell Price and System Marginal Buy Price shall be to the System Average Price.

- 2.3.3 The buyer shall pay the Daily Imbalance Charge in respect of the Daily Imbalance to the seller.
- 2.3.4 The Daily Imbalance Charge shall be invoiced and payable in accordance with Section S.

Section G – Supply Points

1.12 Contingencies

In the event of a **Class A Contingency** the times by which before the start of each Gas Year details of Annual Quantities and other information in respect of Supply Points are (pursuant to this Section G) to be provided to Users will be deferred by a period commensurate with the duration of the relevant **Code Contingency**.

Section H – Paragraph H5.2.1 – Notify Demand Forecast for Flow Day

5.2 LDZ Demand Forecasting

- 5.2.1 The Transporter will (during the Preceding Day and the Gas Flow Day in accordance with paragraph 5.2.3) forecast and notify to Users:
 - (a) in the case of a DN Operator, demand in each relevant LDZ;
 - (b) in the case of National Grid NTS, demand for the Total System

for the Gas Flow Day, using Short Term Demand Models, on the basis of the weather data most recently obtained in accordance with paragraph 5.1 (in the case of LDZ demand, for the weather station(s) located in or closest to the relevant LDZ).

H 5.2.2 In the event of a Class A Contingency (in accordance with Section U6), the Notification of the Demand Forecasts for the Flow Day shall be provided in accordance with the relevant Contingency Procedures as described in the Code Contingency Guidelines Document and will apply for the duration of the relevant Code Contingency.

Section K -

Code Contingencies

In respect of the submission Of Input and Output Trade Nomination for Withdrawal and Injection out of and into Storage; In the event of a Class A Contingency (in accordance with Section U6), an Output Trade Nomination for Injection into Storage, to Cover 'relevant deficiency', shall be submitted in accordance with the relevant Contingency Procedures, as described in the Code Contingency Guidelines Document will apply for the duration of the relevant Code Contingency.

Section N – Shrinkage

Code Contingencies

In the event of a **Class A Contingency** (in accordance with Section U6) occurring during periods where NTS Shrinkages Factors (reference N2) are required to be provided to Users they will be deferred by a period commensurate with the duration of the relevant Code Contingency.

Section Q – Emergencies

Code Contingencies

In the event of a Class A Contingency (in accordance with Section U6), the relevant Contingency Procedures as described in the Code Contingency Guidelines Documentwill apply for the duration of the relevant Code Contingency.

Section R – Storage Injection and Withdrawals

R5 - Contingencies

In the event of a **Class A Contingency** (in accordance with Section U6), for the purposes of Storage Transfers, Withdrawals and Injection Nomination processes the relevant Contingency Procedures, as described in the Code Contingency Guidelines Document shall apply for the duration of the relevant Code Contingency.

Section S – Invoicing and Payment

1.9 Contingencies

- 1.9.1 Subject to paragraph 1.9.4, in the event that, as a result of a **Code Contingency**, the Transporter is unable to produce or submit any Invoice Documents within 7 Days after the expected date (in accordance with paragraph 1.4) of submission thereof:
 - (a) the Transporter may prepare and submit an Invoice Document (as an Ad-hoc Invoice) containing estimated Invoice Amounts;
- 1.9.4 Except with the agreement of a User, the Transporter may not on the occurrence of any **Code Contingency** submit Invoice Documents containing estimated Invoice Amounts under this paragraph 1.9 in respect of consecutive Billing Periods.
- 1.9.5 Where in accordance with the **Contingency Procedures** the Transporter submits Invoice Documents, which do not contain estimated Invoice Amounts, such Invoice Documents shall be submitted in the format required in paragraph 1.3.4.

Section V - General

7.2.2 Nothing in the Code shall require the Transporter to establish separate subsidiaries, or (other than as provided in paragraph 7.2.1) to prepare separate accounts, or to maintain separate bank accounts, in respect of the Transporter User Capacities; nor to give any Code Communication (other than **under Contingency Procedures**) which is not to be given as a UK Link Communication.

Section X – Energy Balancing Credit Management

1.4 Code Contingencies

National Grid NTS will not be required to implement this Section X in any case where and for so long as, by reason of any **Code Contingency**, it is not reasonably practicable for National Grid NTS to perform with reasonable accuracy any calculation required for such implementation.

2 User Pays

a) Classification of the Proposal as User Pays or not and justification for classification

No classification required as no cost recovery anticipated.

b) Identification of Users, proposed split of the recovery between Gas Transporters and Users for User Pays costs and justification

None, no cost anticipated.

c) Proposed charge(s) for application of Users Pays charges to Shippers

None.

d) Proposed charge for inclusion in ACS – to be completed upon receipt of cost estimate from xoserve

Not applicable.

Extent to which implementation of the proposed modification would better facilitate the relevant objectives

Standard Special Condition A11.1 (a): the efficient and economic operation of the pipe-line system to which this licence relates;

Additional references to Class A Contingencies within the relevant sections of the UNC would provide greater clarity to Users and Transporters of what and where deviations to Code Communications may apply during a Code Contingency.

Additionally, the introduction of a consolidated Code Contingency Guidelines document would provide Users and Transporters with the responsibility for maintaining Code Contingency Communications arrangements. This would provide greater transparency of the arrangements and improved familiarisation with processes and procedures required during UK Link System failures. As a result of the Users' and Transporters' familiarisation with the contingency processes, the introduction of the Guidelines would demonstrate an improvement to the operation of the system during a Code Contingency event.

Standard Special Condition A11.1 (b): so far as is consistent with subparagraph (a), the coordinated, efficient and economic operation of

- (i) the combined pipe-line system, and/ or
- (ii) the pipe-line system of one or more other relevant gas transporters;

Implementation would not be expected to better facilitate this relevant objective.

Standard Special Condition A11.1 (c): so far as is consistent with subparagraphs (a) and (b), the efficient discharge of the licensee's obligations

under this licence;

Implementation would not be expected to better facilitate this relevant objective.

Standard Special Condition A11.1 (d): so far as is consistent with subparagraphs (a) to (c) the securing of effective competition:

- (i) between relevant shippers;
- (ii) between relevant suppliers; and/or
- (iii)between DN operators (who have entered into transportation arrangements with other relevant gas transporters) and relevant shippers;

Through greater accessibility of the Guidelines; greater familiarity through the requirement to regularly test the arrangements required to manage communications during a Contingency; and greater clarity relating to what and where Code Communications may differ during a Class A Contingency, implementation might improve competition between Users during a Code Contingency event.

Standard Special Condition A11.1 (e): so far as is consistent with subparagraphs (a) to (d), the provision of reasonable economic incentives for relevant suppliers to secure that the domestic customer supply security standards... are satisfied as respects the availability of gas to their domestic customers;

Implementation would not be expected to better facilitate this relevant objective.

Standard Special Condition A11.1 (f): so far as is consistent with subparagraphs (a) to (e), the promotion of efficiency in the implementation and administration of the network code and/or the uniform network code;

BGT considered that implementation would better facilitate this objective, as it would reduce the likelihood of a code party raising other proposals (similar to 0181) in the event of a further Gemini outage.

The implications of implementing the Modification Proposal on security of supply, operation of the Total System and industry fragmentation

No such implications are anticipated.

- The implications for Transporters and each Transporter of implementing the Modification Proposal, including:
 - a) Implications for operation of the System:

Implementation may improve the operation of the system during a Gemini system failure by providing Users and Transporters with greater clarity and definition of the Code Communication obligations during a Code Contingency

and familiarisation with Code Contingency arrangements.

b) Development and capital cost and operating cost implications:

No notable capital and operating cost implications are associated with the implementation of this Proposal.

xoserve has advised that the costs associated with the implementation of the proposed Gemini Code Contingency testing program are likely to be minor.

c) Extent to which it is appropriate to recover the costs, and proposal for the most appropriate way to recover the costs:

No recovery of such costs is proposed.

d) Analysis of the consequences (if any) this proposal would have on price regulation:

No such consequences are anticipated.

The consequence of implementing the Modification Proposal on the level of contractual risk of each Transporter under the Code as modified by the Modification Proposal

Not applicable.

The high level indication of the areas of the UK Link System likely to be affected, together with the development implications and other implications for the UK Link Systems and related computer systems of each Transporter and Users

No such implications are anticipated. xoserve will be required to develop and manage the proposed testing program of Code Contingency procedures. However, it is not anticipated that any system changes will be required for the implementation of such a programme.

8 The implications of implementing the Modification Proposal for Users, including administrative and operational costs and level of contractual risk

Administrative and operational implications (including impact upon manual processes and procedures)

It is anticipated that Users may be required to revise their Code Contingency arrangements as a result of the implementation of revised Gemini Code Contingency procedures. Additionally, Users will be required to participate in the testing programme.

Development and capital cost and operating cost implications

No such implications have been identified.

Consequence for the level of contractual risk of Users

Through greater accessibility of the Guidelines; greater familiarity through the requirement to regularly test the arrangements required to manage communications during a Contingency; and greater clarity relating to what and where Code Communications may differ during a Class A Contingency, implementation might reduce the level of contractual risk of Users.

9 The implications of implementing the Modification Proposal for Terminal Operators, Consumers, Connected System Operators, Suppliers, producers and, any Non Code Party

Users of the UK Link Systems may be required to amend contingency procedures inline with the proposed Code Contingency arrangements.

10 Consequences on the legislative and regulatory obligations and contractual relationships of each Transporter and each User and Non Code Party of implementing the Modification Proposal

No such consequences are anticipated.

Analysis of any advantages or disadvantages of implementation of the Modification Proposal

Advantages

- Greater transparency of the Code Contingency Arrangements.
- Improved visibility and availability of Code Contingency documentation.
- Improved User and Transporter familiarity with the Code Contingency processes and procedures.
- Improved operation of the system during a Code Contingency.

Disadvantages

• Users would be required to participate in the Code Contingency testing programme.

Summary of representations received (to the extent that the import of those representations are not reflected elsewhere in the Modification Report)

Representations were received from the following, all of which supported implementation:

British Gas Trading Limited	(BGT)	Support
EDF Energy	(EDFE)	Support
E.ON UK plc	(EON)	Support
National Grid Gas Distribution	(NGD)	Support
National Grid NTS	(NGNTS)	Support

RWE npower and RWE Supply & Trading Gmbh	(RWE)	Support
Scotia Gas Networks plc	(SGN)	Support
Scottish and Southern Energy plc	(SSE)	Support

The extent to which the implementation is required to enable each Transporter to facilitate compliance with safety or other legislation

Implementation is not required to enable each Transporter to facilitate compliance with safety or other legislation.

The extent to which the implementation is required having regard to any proposed change in the methodology established under paragraph 5 of Condition A4 or the statement furnished by each Transporter under paragraph 1 of Condition 4 of the Transporter's Licence

Implementation is not required having regard to any proposed change in the methodology established under paragraph 5 of Condition A4 or the statement furnished by each Transporter under paragraph 1 of Condition 4 of the Transporter's Licence.

Programme for works required as a consequence of implementing the Modification Proposal

No programme for works would be required as a consequence of implementing the Modification Proposal.

Proposed implementation timetable (including timetable for any necessary information systems changes and detailing any potentially retrospective impacts)

This Proposal could be implemented with immediate effect following direction from Ofgem.

17 Implications of implementing this Modification Proposal upon existing Code Standards of Service

No implications of implementing this Modification Proposal upon existing Code Standards of Service have been identified.

18 Recommendation regarding implementation of this Modification Proposal and the number of votes of the Modification Panel

At the Modification Panel meeting held on 16 July 2009, of the 9 Voting Members present, capable of casting 10 votes, 10 votes were cast in favour of implementing this Modification Proposal. Therefore the Panel recommended implementation of this Proposal.

19 Transporter's Proposal

This Modification Report contains the Transporter's proposal to modify the Code and the Transporter now seeks direction from the Gas and Electricity Markets Authority in accordance with this report.

20 Text

UNIFORM NETWORK CODE – TRANSPORTATION PRINCIPAL DOCUMENT

SECTION U – UK LINK

Amend paragraph 6.1.1 to read as follows:

- "6.1.1 For the purposes of the Code:
 - (a) the "Contingency Procedures" are procedures contained in the Code Contingency Guidelines Document forming part of the UK Link Manual for the Transporter and Users to communicate with each other in the event of a Code Contingency;
 - (b) a "Code Contingency" is an event or circumstance affecting UK Link, of a kind specified in the Contingency Procedures, which affects the ability of the Transporters or Users (or where so specified in the Contingency Procedures, of a particular Transporter or User or particular Transporters or Users) to give or receive UK Link Communications, or to generate information to be contained in a Code Communication.;
 - (c) The "Code Contingency Guidelines Document" is the document so titled forming part of the UK Link Manual and containing consolidated guidelines in respect of Code Contingencies."

Add new paragraph 6.1.4 to read as follows:

"6.1.4 The Transporters will provide a copy of Code Contingency Guidelines

Document as set out in the Code Contingency Guidelines Document
may be revised by a Manual Modification (in accordance with
paragraph 8)."

Amend paragraph 6.3.3 to read as follows:

"6.3.3 Code Contingencies which are Class A Contingencies are specified, for the purposes of the relevant provisions of the Code, in the Contingency Procedures and referenced where appropriate in the relevant Sections of the Transportation Principal Document."

UNIFORM NETWORK CODE – TRANSPORTATION PRINCIPAL DOCUMENT

SECTION B - SYSTEM USE AND CAPACITY

Add new paragraph 2.15 to read as follows:

"2.15 Class A Contingencies

- 2.15.1 During the period of a Class A Contingency:
 - (a) where due to a Class A Contingency no capacity allocations of Daily NTS Entry Capacity in respect of a relevant Day are made by National Grid NTS within the capacity allocation period (in accordance with paragraph 2.4.13(c)) the System Entry Overrun Charge payable by Users in respect of the relevant Day will not

apply;

- (b) <u>applications for and registration of NTS Entry Capacity</u> (pursuant to paragraph 2) will be operated in accordance with the relevant Contingency Procedures as contained in the Code Contingency Guidelines Document,
- (c) where:
 - (i) <u>Capacity Management processes are required; and/or</u>
 - (ii) <u>surrender of NTS Entry Capacity is required; and/or</u>
 - (iii) <u>registration of System Capacity Trading processes is required;</u>

these will be operated in accordance with the relevant Contingency Procedures as contained in the Code Contingency Guidelines Document."

UNIFORM NETWORK CODE – TRANSPORTATION PRINCIPAL DOCUMENT

SECTION C - NOMINATIONS

Add new paragraph 6 to read as follows:

"6 Class A Contingencies

6.1 During the period of a Class A Contingency, Nominations,
Renominations and Trade Nominations will be made in respect of each
relevant day as an aggregate figure, and will be processed in accordance
with the relevant Contingency Procedures."

UNIFORM NETWORK CODE – TRANSPORTATION PRINCIPAL DOCUMENT

SECTION D – OPERATIONAL BALANCING AND TRADING ARRANGEMENTS

Add new paragraph 9 to read as follows:

"9 Class A Contingencies

9.1 During the period of a Class A Contingency the relevant Contingency Procedures will apply."

UNIFORM NETWORK CODE – TRANSPORTATION PRINCIPAL DOCUMENT

SECTION E – DAILY QUANTITIES, IMBALANCES AND RECONCILIATION

Add new paragraph 9 to read as follows:

"9 Class A Contingencies

- 9.1 During the period of a Class A Contingency:
 - (a) access to information pursuant to paragraph 1.6;
 - (b) <u>submission of the Entry Allocation Statement</u> <u>pursuant to paragraph 2.1: and</u>

(c) <u>submission of the Unclaimed Entry Allocation Statement</u> pursuant to paragraph 2.3;

will be processed in accordance the relevant Contingency Procedures."

UNIFORM NETWORK CODE – TRANSPORTATION PRINCIPAL DOCUMENT

SECTION H – DEMAND ESTIMATION AND DEMAND FORECASTING

Add new paragraph 6 to read as follows:

"6 Class A Contingencies

6.1 During the period of a Class A Contingency, notification of demand for the Gas Flow Day pursuant to paragraph 5.2.3 will be provided in accordance with the relevant Contingency Procedures."

UNIFORM NETWORK CODE – TRANSPORTATION PRINCIPAL DOCUMENT

SECTION K - OPERATING MARGINS

Add new paragraph 5 to read as follows:

"5 Class A Contingencies

5.1 During the period of a Class A Contingency, any nominations and renominations for the purposes of Section K shall be submitted in accordance with the relevant Contingency Procedures."

UNIFORM NETWORK CODE – TRANSPORTATION PRINCIPAL DOCUMENT

SECTION N - SHRINKAGE

Add new paragraph 5 to read as follows:

"5 Class A Contingencies

5.1 During the period of a Class A Contingency, the provision of NTS

Shrinkages Factor by National Grid NTS to Users pursuant to
paragraph 2.2.2 and Output Nominations and Renominations pursuant
to paragraph 4.4 will be deferred by a period commensurate with the
duration of the Class A Code Contingency."

UNIFORM NETWORK CODE – TRANSPORTATION PRINCIPAL DOCUMENT

SECTION Q - EMERGENCIES

Add new paragraph 8 to read as follows:

"8 Class A Contingencies

8.1 During the period of a Class A Contingency, the relevant Contingency Procedures will apply."

UNIFORM NETWORK CODE – TRANSPORTATION PRINCIPAL DOCUMENT

SECTION R - STORAGE

Add new paragraph 4 to read as follows:

- **"4 Class A Contingencies**
- 4.1 During the period of a Class A Contingency any nominations and renominations for the purposes of Section R shall be submitted in accordance with the relevant Contingency Procedures."

For and on behalf of the Relevant Gas Transporters:

Tim Davis Chief Executive, Joint Office of Gas Transporters