

31 January 2022

**Modification 0796 – legal text**

**UNIFORM NETWORK CODE – TRANSPORTATION PRINCIPAL DOCUMENT**

**SECTION Y – CHARGING METHODOLOGIES**

*Amend paragraph 1.2.1 as follows:*

1.2.1 Transportation Charges in relation to the NTS comprise:

- (a) charges in respect of transmission services (“**Transmission Services Charges**”), comprising:
  - (i) Capacity Charges determined by Auction or Allocation Process pursuant to the provisions of the Code referred to in the Capacity Allocation Table in paragraph 2.2.1;
  - (ii) NTS Entry Capacity Retention Charges as provided for in paragraph 2.10; and
  - (iii) Transmission Services Revenue Recovery Charges as provided for in paragraph 3;

*Replace paragraph 1.6 with the below:*

1.6.1 For the purposes of this Part A-I, in relation to a Gas Year (y):

- (a) "**Allowed Transmission Services Entry Revenue**" (ATSEnR<sub>y</sub>) and "**Allowed Transmission Services Exit Revenue**" (ATSExR<sub>y</sub>) shall be determined, on the basis of the Allowed FY Transmission Services Entry Revenue and the Allowed FY Transmission Services Exit Revenue respectively for the Formula Years which end and start in Gas Year y, as follows:

$$ATSEnR_y = (AFTSEnR_t - TSEnR_{pt}) + ((AFTSEnR_{t+1} * F_{TSEn})$$

$$ATSExR_y = (AFTSExR_t - TSExR_{pt}) + ((AFTSExR_{t+1} * F_{TSEx})$$

- (b) "**Allowed Non-Transmission Services Revenue**" (ANTSR<sub>y</sub>) shall be determined, on the basis of the Allowed FY Non-Transmission Services Revenue for the Formula Year which ends in Gas Year y, as follows:

$$ANTSR_y = (AFNTSR_t - NTSR_{pt}) * (1 / F_{NTS} )$$

1.6.2 For the purposes of this paragraph 1.6:

- (a) Formula Years t and t+1 are respectively the Formula Years which end and start in Gas Year y;

- (b)  $AFTSEnR_t$ ,  $AFTSExR_t$ , and  $AFNTSR_t$  are respectively the Allowed FY Transmission Services Entry Revenue, Allowed FY Transmission Services Exit Revenue and Allowed FY Non-Transmission Services Revenue for Formula Year  $t$ ;
- (c)  $TSEnR_{pt}$ ,  $TSExR_{pt}$  and  $NTSR_t$  are respectively the amounts of Transmission Services Entry Revenue, Transmission Services Exit Revenue and Non-Transmission Services Revenue which National Grid NTS estimates will be earned in respect of the part of Formula Year  $t$  which falls prior to Gas Year  $y$ ;
- (d)  $AFTSEnR_{t+1}$  and  $AFTSExR_{t+1}$  are respectively the amounts estimated (on the basis of estimated values of the terms  $K_{En,t}$  and  $K_{Ex,t}$ ) by National Grid NTS as the Allowed FY Transmission Services Entry Revenue and Allowed FY Transmission Services Exit Revenue for Formula Year  $t+1$ ;
- (e)  $F_{TSEn}$  and  $F_{TSEx}$  respectively are factors which represent National Grid NTS's estimates, for Gas Year  $y$ , of the proportions of the Transmission Services Entry Revenue and of the Transmission Services Exit Revenue which will be earned in respect of the part of Formula Year  $t+1$  which falls within Gas Year  $y$ .
- (f)  $FN_{NTS}$  is a factor which represents National Grid NTS's estimate, for Gas Year  $y$ , of the proportion of the Non-Transmission Services Revenue which will be earned in respect of the part of Formula Year  $t$  which falls within Gas Year  $y$ .

*Replace the current paragraphs 2.3.1(a) and (b) with the below:*

2.3.1 For the purposes of this Part A-I:

- (a) the Allowed Transmission Services Entry Revenue ( $ATSEnR_y$ ) is determined in accordance with paragraph 1.6.1;
- (b) the Allowed Transmission Services Exit Revenue ( $ATSExR_y$ ) is determined in accordance with paragraph 1.6.1;

*Amend paragraph 3.3.2 and 3.3.3 as follows:*

3.3.2 Where National Grid NTS proposes to revise the Entry Transmission Services Revenue Recovery Charge or Exit Transmission Services Revenue Recovery Charge for a Gas Year pursuant to this paragraph 3.3, National Grid NTS shall, consistent (but subject as provided in paragraph (b) below) with the requirements of Standard Special Condition A4(2)(d) and (e):

- (a) give a first notice setting out the reasons for the revision, the proposed Revision Month and an estimate of the revised Entry Transmission Services Revenue Recovery Charge or Exit Transmission Services Revenue Recovery Charge;
- (b) where it decides to make such revision, give notice (not less than two months before the first Day of the Revision Month, as provided in TPD Section B1.8.2(a)) setting out the Revision Month and the revised Entry Transmission Services Revenue Recovery Charge or Exit Transmission Services Revenue Recovery Charge.

*Delete paragraph 3.4 - NTS Entry Transmission Services Rebate Charge in its entirety*

*Replace paragraph 4.7.2(a) with the below:*

4.7.2 For the purposes of this paragraph 4.7, in relation to a Gas Year:

- (a) the Allowed Non-Transmission Services Revenue (ANTSR<sub>y</sub>) is determined in accordance with paragraph 1.6.1;

## UNIFORM NETWORK CODE – TRANSPORTATION PRINCIPAL DOCUMENT

### SECTION B – SYSTEM USE AND CAPACITY

*Amend paragraph 1.7.1(a)(i) as follows:*

- (a) **"Transportation Charges"** are:
- (i) charges (other than Energy Balancing Charges or Storage Charges) payable by or to a User in respect of a transportation arrangement under the Code, (subject to paragraph 1.7.8) comprising Capacity Charges, Commodity Charges, Customer Charges, CSEP Charges; and other NTS-related charges being Transmission Services Revenue Recovery Charges, and the NTS Entry Capacity Retention Charges; and

*In paragraph 2.11:*

- *amend paragraph heading as follows:*

**2.11 Entry Charges, General Non-Transmission Services Charges, Entry Transmission Services Revenue Recovery Charges, and Capacity Surrender Charges**

- *delete paragraph 2.11.1(e) and end paragraph 2.11.1(d) with '.'*;
- *delete paragraph 2.11.8;*
- *renumber and amend paragraph 2.11.9 as follows:*

2.11.8 NTS Entry Capacity Charges, General Non-Transmission Services Charge, Capacity Surrender Charges, and the Entry Transmission Services Revenue Recovery Charges will be invoiced and payable in accordance with Section S.