

## UNC Modification Proposal 0376A Increased Choice when Applying for NTS Exit Capacity

### DRAFT LEGAL TEXT

This document should be read in conjunction with the Modification Proposal. Underlined text signifies proposed additions and strike through text signifies proposed deletions.

### TPD Section B; SYSTEM USE AND CAPACITY

*Amend paragraph 3.2.1, 3.2.3, 3.2.4, 3.2.8 and 3.2.10 as set out below:*

- 3.2.1 In each Gas Year (Y) Users may apply for Enduring Annual NTS Exit (Flat) Capacity to be registered as held with effect from the first Day of any month within Gas Years Y+4, Y+5 or Y+6 or in accordance with the provisions of 3.2.3(b), at each NTS Exit Point, in accordance with the further provisions of this paragraph 3.2 and having regard to the Exit Capacity Release Methodology Statement.
- 3.2.3 An application for Enduring Annual NTS Exit (Flat) Capacity:
- (a) during an Annual Application Window may be for an amount of Enduring Annual NTS Exit (Flat) Capacity equal to:
    - (i) where paragraph 3.2.25 applies in relation to a User and an NTS Exit Point, the sum of the deemed application amount and any additional Enduring Annual NTS Exit (Flat) Capacity (if any) which the User wishes to apply for at the NTS Exit Point; or
    - (ii) where paragraph 3.2.25 does not apply in relation to a User and an NTS Exit Point, the Enduring Annual NTS Exit (Flat) Capacity (if any) which the User wishes to apply for at the NTS Exit Point;
  - (b) may be made by a User at any time between 1 October and 30 June in Gas Year Y where the application is:
    - (i) in respect of a New NTS Exit Point; or
    - (ii) for an amount of Enduring Annual NTS Exit (Flat) Capacity which:
      - (1) if accepted would result in Users holding in aggregate an amount of Enduring Annual NTS Exit (Flat) Capacity in excess of 125% of the Baseline NTS Exit (Flat) Capacity at the NTS Exit Point in respect of the Gas Year for which the application is made; or
      - (2) exceeds 10 GWh/Day;
  - (c) shall specify:
    - (i) the identity of the User;
    - (ii) the NTS Exit Point in respect of which the application is made;
    - (iii) the Gas Year in respect of which the application is made; and
    - (iv) the amount of Enduring Annual NTS Exit (Flat) Capacity applied for (being not less than the minimum eligible amount);

and where the User makes applications for different Gas Years (or any part thereof ~~in the case of an application made under paragraph 3.2.3(b)~~) the amount of Enduring Annual NTS Exit (Flat) Capacity applied for in respect of any later Gas Year shall be expressed as the amount in excess of the amount applied for in respect of any earlier

Gas Year.

3.2.4 A User:

- (a) in the case of an application made under paragraph 3.2.3(a):
  - (i) may submit an application for Enduring Annual NTS Exit (Flat) Capacity during the Annual Application Window;
  - (ii) may apply for Enduring Annual NTS Exit (Flat) Capacity to be registered with effect from the ~~1 October in~~ first day of any month within Gas Years Y+4, Y+5 and Y+6;
  - (iii) may have, at any one time, no more than one (1) application for each of Gas Year Y+4, Y+5 and Y+6 for Enduring Annual NTS Exit (Flat) Capacity capable of acceptance by National Grid NTS in respect of an NTS Exit Point; and
  - (iv) may withdraw or modify an application under paragraph 3.2.3(a)(ii) at any time during the Annual Application Window, but may only modify (and not withdraw) an application under paragraph 3.2.3(a)(i) during such period by reducing the amount of Enduring Annual NTS Exit (Flat) Capacity applied for to not less than the deemed application amount;
- (b) in the case of an application made under paragraph 3.2.3(b):
  - (i) may apply for up to four (4) separate tranches of Enduring Annual NTS Exit (Flat) Capacity, specifying in each case the amount applied for in each separate tranche;
  - (ii) shall specify, in respect of each separate tranche applied for, the date with effect from which the User wishes to be registered as holding the Enduring Annual NTS Exit (Flat) Capacity, such date being not earlier than six (6) months from the date the application is made and not later than 1 October in Gas Year ~~Y+4~~ Y+6; and
  - (iii) in respect of a New NTS Exit Point, shall submit with its application such other documentation (as published by National Grid NTS from time to time) required by National Grid NTS for the purposes of commencing work on new connections to the NTS.

3.2.8 In respect of an application made under paragraph 3.2.3(a):

- (a) where National Grid NTS has rejected or accepted in part only an application made by a DNO User pursuant to paragraph 3.7.5 for NTS Exit (Flexibility) Capacity or Section J2.5 in relation to an increase in the Assured Offtake Pressure in respect of Gas Year Y+4, Y+5 or Y+6, a DNO User may submit a revised application for Enduring Annual NTS Exit (Flat) Capacity on any of the five (5) Business Days following 15 September in Gas Year Y ~~for~~ with effect from the first Day of any month within Gas Years Y+4, Y+5 and Y+6;

3.2.10 where an application is made under paragraph 3.2.3(b) (which is not rejected pursuant to paragraph 3.2.5) National Grid NTS will make an offer (in accordance with the principles in the Exit Capacity Release Methodology Statement) to the User which specifies:

- (a) the amount of Enduring Annual NTS Exit (Flat) Capacity offered, being equal to the amount applied for under paragraph 3.2.4(b)(i);

- (b) the date(s) with effect from which the User applied to be registered as holding the Enduring Annual NTS Exit (Flat) Capacity (or each separate tranche specified in the application);
- (c) the date(s) with effect from which National Grid NTS is able to make Enduring Annual NTS Exit (Flat) Capacity available at the NTS Exit Point, such dates(s) being not earlier than the date(s) with effect from which the User applied to be registered as holding Enduring Annual NTS Exit (Flat) Capacity and not later than 1 October in the Gas Year ~~Y+4~~ Y+6 ; and
- (d) where applicable, the Demonstration Date;

and National Grid NTS will use its reasonable endeavours to make available Enduring Annual NTS Exit (Flat) Capacity at the NTS Exit Point with effect from the date(s) from which the User applied to be registered as holding the Enduring Annual NTS Exit (Flat) Capacity.