

UNC MODIFICATION PROPOSAL 0493

EU Gas Balancing Code - Daily Nominations at Interconnection Points (IP)

COMMERCIAL BUSINESS RULES

Key to format convention

- Text in red is reference to the source of the rule as follows:
- [BC 12(3)] is reference to EU Network Code on Gas Balancing of Transmission Networks article (and sub paragraph number) draft dated 2 October 2013
 - [INT 12(3)] is reference to EU Interoperability Network Code article (and sub paragraph number) draft dated 21 November 2013
 - [CAM 12(3)] is reference to EU regulations on Capacity Allocation Mechanisms (version dated 15 April 2013)
 - [CMP 12(3)] is reference to the Congestion Management Procedures (version dated 28 August 2012)
 - [BRS 123] is reference to the ENTSOG Business Requirements Specification paragraph number (Draft Version 0 Revision 9 2013-06-04)

Text in black is business rule text.

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Document Revision History

Version Number	Date of Issue	Notes	Author
V1.0	14/05/14	Creation of Business Rules to reflect UNC Modification Proposal 0493 version 1.0 (4 th April 2014)	Phil Lucas

1. Introduction

1. These business rules take account of EU regulations on Nominations at Interconnection Points (IPs) which form part of the Network Code on Gas Balancing of Transmission Networks (the 'Balancing Code') and rules regarding data exchange detailed within the Interoperability Network Code (the 'Interoperability Code'). They also consider the nominations requirements in the EU regulations on Capacity Allocation Mechanism. In addition they also consider the prevailing commercial and regulatory regime of GB's National Transmission System and how the requirements of the former can be accommodated within the latter.
2. The purpose of these business rules is to further explain the solution contained with Modification Proposal 0493 and in particular the interaction between Users of the NTS and National Grid as the relevant Transporter for the GB Gas Transmission System in the Nomination and Re-nomination process at IPs.

Nominations Summary

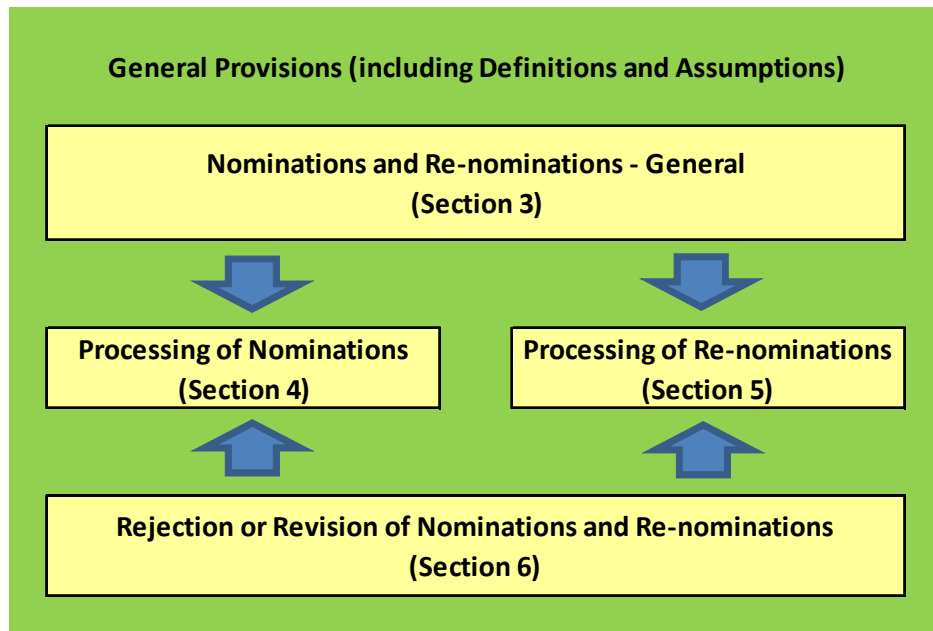
3. The Balancing Code entered into force in April 2014. GB is required to implement necessary changes (to systems and domestic commercial arrangements) by 1 October 2015. Whilst National Grid is able to seek approval from Ofgem for up to an additional 12 months to implement the Balancing Code this is not currently expected to be required.
4. The Interoperability Code is expected to enter into force in the fourth quarter of 2014 (TBC). It is expected that GB will be required to implement necessary changes (to systems and domestic commercial arrangements) within 12 months of the implementation of the Interoperability Code. It is currently anticipated that the interoperability arrangements will need to be in place prior to November 2015 as this is complementary to the Network Code on Capacity Allocation Mechanism.
5. In addition, the European Network of Transmission System Operators for Gas (ENTSOG) has prepared a Business Requirements Specification (BRS) which defines the business requirements for a harmonised software implementation of the information exchanges for the transmission of information between parties participating in the Nomination and matching processes. Whilst in itself this document is not binding, the individual file contents descriptions in the BRS (the 'Edig@s xml' documents and associated data exchange protocols) will be mandated via the Interoperability Code.

The Nominations arrangements are summarised below.

6. Users will be required to nominate (and if necessary, re-nominate) expected gas flows for the Gas Day at each of the following existing NTS System Entry Points and NTS Exit Points at IPs:
 - 6.1. Moffat – GB/Ireland, GB/Northern Ireland (pending confirmation of capacity arrangements at Moffat)¹;
 - 6.2. Bacton IUK – GB/Belgium; and
 - 6.3. Bacton BBL – GB/Holland².
7. Any future IPs that connect to the GB National Transmission System will also be subject to the requirements detailed within these Business Rules.
8. These Business Rules cover the following principal areas:
 - 8.1. Nominations;
 - 8.2. Re-nominations;
 - 8.3. Rejection or Revision of Nominations and Re-nominations;

¹ Physical flow is only possible in one direction however commercial nominations are possible in either direction.

9. The rules are structured such that specific provision for the processing of Nominations and separately, Re-nominations are supplemented by general rules and rejections rules which are applicable to both. These provisions are preceded by a General Provisions (definitions and assumptions) section which apply to the rules overall.



2. General Provisions

Units [BC 12(1)]

10. All gas quantities specified in Nominations and Re-nominations must be in kWh/d.

Additional requirements [BC 12(2)]

11. The Network Code on Gas Balancing of Transmission Networks sets a minimum information standard for Nominations and Re-nominations. The UNC may identify additional information requirements. See paragraph 56 which outlines the assumption that there are no additional information requirements.

Application to Capacity Products [BC 12(3)]

12. The high level Nomination and Re-nomination rules which are applicable to Unbundled Capacity shall also apply in respect of Bundled Capacity though the detailed processes differ in a number of areas. Transporters are required to co-operate to implement rules for Nomination and Re-nomination of Bundled Capacity at IPs.

Interaction with Capacity Allocation Mechanism / CMP [BC 12(4)]

13. The following aspects are relevant to the Nominations / Matching Process and the Capacity Allocation Mechanism/ CMP
 - 13.1. Single Nomination concept – the capability of a single Nomination to inform both Transporters at an IP of the intended gas flow out of, and in to the respective networks (see paragraph 65.1).
 - 13.2. Notification of Capacity Interruption by the Transporter – subject to separate CAM/CMP Business Rules.
 - 13.3. GB rules for the management of the Nomination or Re-nomination of a quantity of gas flow in excess of the User's prevailing level of Entry Capacity Entitlement or Exit Capacity Entitlement (as applicable) and the constraint management tools available to address capacity restrictions including Capacity Buyback, Interruptible Capacity Scaleback.
 - 13.4. Re-nomination restrictions (but assumed not to be applied for GB at this current time) - at an IP where this congestion-management procedure applies ("the Firm day-ahead use-it-or-lose-it mechanism") a User may be subject to a restriction in their rights to Re-nominate against their firm capacity entitlement.

Definitions [BC 3]

14. For the purposes of this document, National Grid means National Grid plc in its capacity as the Transmission System Operator (TSO) of the Gas National Transmission System in Great Britain.
15. The definitions in Article 2 of Regulation (EC) No 715/2009², and Article 2 of Directive 2009/73/EC³ shall apply and are shown with leading capitals.
16. In addition, the following definitions shall apply. For the purposes of clarification, the following table details the equivalent definition for terms specified within the respective Codes and clarifies which term is utilised within these Business Rules. The wording of individual definitions may have been altered cosmetically from that specified in relevant Code (as per the cross references noted) to match the context of these Business Rules.

Business Rules Term	EU Network Code (Balancing Code, Interoperability Code or Capacity Allocation Mechanism) Term	GB Network Code Term	Uniform Code
Available Capacity Rate		Available Capacity Rate	
Balancing Portfolio Identification	balancing portfolio		
BST			
Bundled Capacity	bundled capacity		
Confirmed Quantity	confirmed quantity		
Double Sided Nomination			
Double Sided Re-nomination			
Entry Capacity Entitlement			
Exit Capacity Entitlement			
Exceptional Event	exceptional event	Transportation Constraint	
Gas Day	gas day	Gas Day	
GMT			
Implied Nomination Flow Rate		Implied Nomination Flow Rate	
Initiating Transporter	initiating Transmission System Operator (TSO)	(Transporter)	
Interconnection Point (IP)	interconnection point (IP)		
Matching Process	matching process		
Matching Transporter	Matching Transmission System Operator	Transporter	
Nomination		Nomination	
Over-nomination	over-nomination		
Overrun Charges		Overrun Charges	
Preceding Day		Preceding Day	
Processed Quantity	processed quantity		
Related			
Re-nomination		Re-nomination	
Re-nomination Cycle	Re-nomination cycle		
Shipper Short Code			
Single Sided Nomination			
Single Sided Re-nomination			
Transporter	Transmission System Operator	Transporter	
Unbundled Capacity			
User	network user / shipper	User	
User Agent		User Agent	
User's Counterparty			
UTC	UTC		

² <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2009:211:0036:01:EN:HTML>

³ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32009L0073:EN:NOT>

17. **'Available Capacity Rate'** means in relation to an IP the rate (in kWh/hour) of daily Entry Capacity Entitlement determined in accordance with UNC TPD B2.4.15(a) or daily Exit Capacity Entitlement determined in accordance with UNC TPD Annex B-1 3.9(d)(ii) [UNC TPD B];
18. **'Balancing Portfolio Identification'** means a unique reference for the grouping of a User's inputs and offtakes [BC 3(13)];
19. **'BST'** means British Summer Time;
20. **'Bundled Capacity'** means a standard capacity product offered on a firm basis which consists of corresponding entry and exit capacity at both sides of every IP [CAM 3(4)];
21. **'Confirmed Quantity'** means the quantity of gas confirmed by a Transporter to a User to be scheduled or re-scheduled to flow on a gas day [BC 3(8)];
22. **'Double Sided Nomination'** and **'Double Sided Re-nomination'** are as defined in paragraph 65.2;
23. **'Entry Capacity Entitlement'** means the sum of Firm Entry Capacity and Interruptible Entry Capacity which the User has acquired at the relevant IP for a Gas Day (Prevailing entitlement can be altered by User capacity trade, TSO buyback or TSO interruptible scaleback) [UNC TPD B];
24. **'Exit Capacity Entitlement'** means the sum of any Firm Exit Capacity and Interruptible Exit Capacity which the User has acquired at the relevant IP for a Gas Day (Prevailing entitlement can be altered by User capacity trade, assignment, TSO buyback or TSO interruptible scaleback) [UNC TPD B];
25. **'Exceptional Event'** means any unplanned event that may cause, for a limited period, capacity reductions, affecting thereby the quantity or quality of gas at a given IP, with possible consequences on interactions between Transporters as well as between Transporters and Users [INT 2(1)(a)];
26. **'Gas Day'** means the period from 5:00 to 5:00 the following day [CAM 3(7)];
27. **'GMT'** means Greenwich Mean Time;
28. **'Implied Nomination Flow Rate'** means the rate (in kWh/ hour) determined in accordance with UNC TPD B1.8 [TPD C];
29. **'Initiating Transporter'** means the Transporter initiating the Matching Process by sending the necessary data to the Matching Transporter [INT 2(1)(b)];
30. **'Interconnection Point'** or **'IP'** means a physical or virtual point connecting adjacent entry-exit systems or connecting an entry-exit system with an interconnector, in so far as these points are subject to booking procedures by Users [CAM 3(10)];
31. **'Matching Process'** is the process of comparing and aligning Processed Quantities of Users at both sides of a specific Interconnection Point, which will result in confirmed quantities for the Users [INT 2(1)(d)];
32. **'Matching Transporter'** means the Transporter performing the Matching Process and sending the result to the Initiating Transporter [INT 2(1)(e)];
33. **'Nomination'** means a Single Sided Nomination or a Double Sided Nomination;
34. **'Over-nomination'** means where offered, the entitlement of Users who fulfil minimum requirements for submitting Nominations to request interruptible capacity at any time

within the Gas Day by submitting a Re-nomination which increases the total of their Nominations to a level higher than their prevailing Entry Capacity Entitlement or Exit Capacity Entitlement (as appropriate) [CAM 3(12)];

35. **'Overrun Charges'** means the charges payable by a User in respect of use of the system for gas quantities (in this context the allocation) in excess of the User's Entry Capacity Entitlement or Exit Capacity Entitlement (as applicable) at the IP [UNC TPD B1.3.1];
36. **'Preceding Day'** means the Gas Day prior to the relevant Gas Day [UNC GT C2.2.1(d)];
37. **'Processed Quantity'** means the quantity of gas assessed by each Transporter, which takes into account the User's Nomination (respectively Re-nomination) and contractual provisions as defined under the relevant transportation contract [INT 2(1)(h)];
38. **'Related'** means, in the context of Nominations and Re-nominations, those which seek to supercede a previously submitted Nomination or Re-nomination prior to the Nomination deadline or the commencement of the Re-nomination Cycle respectively;
39. **'Re-nomination'** means a Single Sided Re-nomination or a Double Sided Re-nomination;
40. **'Re-nomination Cycle'** means the process carried out by the Transporter in order to notify the User of the Confirmed Quantity following the receipt of a Re-nomination [BC 3(16)];
41. **'Shipper Short Code'** means the three letter code used by National Grid to uniquely identify a gas shipper⁴ in its gas balancing and invoicing systems;
42. **'Single Sided Nomination'** and **'Single Sided Re-nomination'** are as defined in paragraph 65.1;
43. **'Transporter'** means an entity that carries out the function of gas transmission and is responsible for operating, ensuring the maintenance of, and if necessary, developing the transmission system in a given area and, where applicable its interconnections with other systems and for ensuring the long-term ability of the system to meet reasonable demands for the transport of gas [Article 2 of Directive 2009/73/EC];
44. **'Unbundled Capacity'** means a standard capacity product offered on a firm basis which consists of entry or exit capacity at one side of an IP;
45. **'User'** means a gas shipper holding a legally binding agreement with a transmission system operator defining the respective rights and obligations related to, as a minimum, balancing [Article 2 of Regulation (EC) No 715/2009];
46. **'User Agent'** means a person who has been appointed as agent of a User in accordance with the Uniform Network Code [UNC TPD V6.1.2];
47. **'User's Counterparty'** means the User who delivers gas to or receives gas from a User at an IP' [BRS 551];
48. **'UTC'** means Coordinated Universal Time a more scientifically accurate version of GMT – the difference between the respective measures cannot exceed 0.9 seconds;

⁴ It is assumed that Shipper Short Codes will continue but EIC codes may supplement. Further information may be forthcoming in the future.

Current Assumptions

Principles

49. The UK regime will continue to operate to a daily balancing regime using daily nominations. [BC 16(1)].
50. The EU Codes afford Transporters discretion in the application of rejection criteria however the GB regime will continue whereby Nominated gas quantities and Re-nominated gas quantities will not be validated by National Grid against any prevailing Entry Capacity Entitlement or Exit Capacity Entitlement (as appropriate) except in the case of an Exceptional Event. Any quantities of gas allocated to NTS Users in excess of Entry Capacity Entitlement or Exit Capacity Entitlement will accrue Overrun Charges and will not be classified as Over-nomination requests for within-day interruptible capacity. For the avoidance of doubt other validation (for example, minimum data requirements) will be applied as described in these Business Rules.
51. Agency services currently in place at IPs will be redundant as National Grid will perform the matching / allocation role with adjacent Transporters however this does not preclude a User from appointing a User Agent to submit Nominations or Re-nominations on its behalf.
52. Two way (and not three way) capacity bundling at Interconnection Points will apply (consistent with v0.4 CAM/CMP Business Rules assumptions).
53. The Transporters will inform all Users at the IP of the identity of the Initiating Transporter such that Users wishing to submit a Single Sided Nomination or Single Sided Re-nomination are aware of which Transporter to send such information to.
54. Nomination and Re-nomination of quantities against:
 - 54.1. Bundled Capacity products may be submitted via a Single Sided Nomination (the 'single nom concept').[CAM 19(7)]
 - 54.2. Unbundled Capacity products should be submitted via Double Sided Nominations. [National Grid is in discussions with its Adjacent Transporters on the possible application of a Single Sided Nomination to Unbundled Capacity].
55. A User holding both Bundled Capacity and Unbundled Capacity at an IP may submit separate Single Sided Nominations and Double Sided Nominations respectively.

Data

56. In respect of Nominations at IPs, at present National Grid has not identified any additional information requirements (over and above those specified in these Business Rules) but intends to maintain the requirement for the provision of flow notifications from operators at NTS entry and exit points (i.e DFNs and OPNs).
57. Users of the NTS will not be required to specify a Balancing Portfolio Identification in their Nominations as sufficient clarity regarding the User's Counterparty is obtained by identification of the relevant User (Shipper Short Code).
58. Whereas times within the EU Codes are specified in UTC, for the purposes of simplification references to times of the day within these business rules are to official time in the United Kingdom (GMT in the months November to March and BST in the months April to October). In the months November to March UTC and GMT are roughly equivalent and in the months April to October, BST is one hour in advance of UTC / GMT.

59. For the purposes of communicating data between Transporters and Users, 'Edig@s xml' documents⁵ will be utilised as follows:

Business Rules Paragraph	Transaction	From	To	Edig@s xml Document
66	Acknowledgment of receipt of a transaction	Any	Any	Acknowledgment Document (ACKNOW)*
89	Rejection of a transaction	Any	Any	Acknowledgment Document (ACKNOW)*
65	Submission of a Nomination or Re-nomination	User	Transporter	Nomination Document (NOMINT)**
77, 87	Notification of Confirmed Quantity	Transporter	User	Nomination Response Document (NOMRES)**
98	Inability to complete Nomination Matching Process	Transporter	User	Nomination Response Document (NOMRES)**

* Edig@s Message Implementation Guidelines Section VI 'General Service Processes' (Version 5.0)

** Edig@s Message Implementation Guidelines Section III 'Nomination and Matching Process' (Version 5.1)

It is recommended that the above documents are read in conjunction with the ENTSOG Business Requirements Specification

Process

60. Whilst Article 14(4) of the Balancing Code makes provision for the Transporter to agree to offer a *Pre-nomination cycle*, National Grid will not be offering such a service as no benefits have been identified for doing so.
61. The Re-nomination deadline will be the earliest time permitted by the Balancing Code i.e. 02:00 on the Gas day being 3 hours before the end of the Gas Day. Consequently, in this case the Confirmed Quantity will be provided to the User by 04:00, one hour prior to the conclusion of the Gas Day.
62. Nominations can be submitted from D-30 as per the UNC (the EU Balancing Code is silent on this point). This is a National Grid Policy decision that is consistent with the current GB arrangements.
63. National Grid and the adjacent Transporter will agree a default nomination rule to be applied where a User does not submit a valid Nomination by the Nomination deadline [BC 14(5)]. National Grid's preference is to mirror the provisions of UNC TPD C2.2.6 and C3.2.4 whereby the User shall be deemed to have made a Nomination with a nominated gas quantity of zero at the Nomination deadline.
64. Neither the Balancing Code nor the BRS specifically provide for circumstances where inter-Transporter communications during the Matching Process are not provided within the timescales prescribed by the Balancing Code or BRS. In light of the specific Balancing Code rules regarding the timely provision of Nomination and Re-nomination responses to Users, a policy decision to effectively declare a 'matching failure' to the User is provided for in these Business Rules as described in paragraph 98.

⁵ The use of Edig@s xml documents and associated data exchange protocols will be mandated via the Interoperability Code.

3. Nominations and Re-nominations - General

65. A Nomination or Re-nomination is submitted by a User to the relevant Transporter to inform the Transporter/s of the quantity of gas which is requested to be delivered to or offtaken from a Transporter's network at an IP on a Gas Day or, where relevant in respect of Re-nominations, the remainder of a Gas Day.
- 65.1. A '**Single Sided Nomination**' or '**Single Sided Re-nomination**' is a notice issued by a User to an Initiating Transporter indicating the quantity of gas it requests to offtake from a Transporter's network and deliver to an adjacent Transporter's network on a Gas Day at an IP which should relate to Bundled Capacity (i.e. *one* User holds Bundled Capacity with both adjacent Transporters and requires gas to flow out of and into the respective networks at the IP). See Appendix 1. [\[BRS 175, CAM 19\(7\)\]](#)
- 65.2. A '**Double Sided Nomination**' or '**Double Sided Re-nomination**' is a notice issued by a User at one side of an IP to its Transporter indicating the quantity of gas it requests to offtake from or deliver to that Transporter's network on a Gas Day at the IP which should relate to Unbundled Capacity. One Nomination or Re-nomination will request the quantity of gas to be offtaken from a Transporter's network and the other will request the quantity of gas to be delivered to the '**adjacent Transporter's**' network at the IP on a Gas Day. (i.e. it is possible that the User/s request to flow gas out of a network is made by a different User to that intending to flow gas into a network or they could be the same User). See Appendix 1 [\[BRS 180\]](#)
66. National Grid will acknowledge receipt of a Nomination or Re-nomination to:
- 66.1. a User submitting a Double Sided Nomination (or Re-nomination) [\[BRS 192\]](#);
- 66.2. a User submitting a Single Sided Nomination (or Re-nomination) where National Grid is the Initiating Transporter [\[BRS 192\]](#);
67. In the event that a User nominates or re-nominates a gas quantity to National Grid in excess of the User's Entry Capacity Entitlement or Exit Capacity Entitlement (as applicable) at the IP:
- 67.1. this quantity will become the Processed Quantity and following completion of the Matching Process subject to paragraph 93, the amount will become the Confirmed Quantity; and
- 67.2. the User shall be liable to pay the relevant Overrun Charges to National Grid in accordance with the UNC TPD Section B for any gas allocated to that User above its Entry Capacity Entitlement or Exit Capacity Entitlement (as applicable) at the end of the day.
68. The short term standardised products (as defined in the EU Balancing Code) are consistent with the balancing tools used in GB regime. However where GB Physical or Locational products are traded and the quantity of gas to be delivered and/or offtaken to/from the transmission system at the specified entry/exit needs to be amended (via a Re-nomination) by an amount equal to the notification quantity, it should be noted that the lead time for a Re-nomination at IPs differs to GB: [\[BC 7\(4\)\]](#)
- 68.1. The UNC specifies that in relation to a Physical Market Transaction, the "Contract Re-nomination Time" is the later of 19:00 hours on the Day preceding the Market Offer Date (the Day which is to be the Gas Flow Day in respect of the Trade Nomination) and that time falling 60 minutes after notification by the Trading System Operator to National Grid of the Transaction Details, but not later than 04:00 hours on the Market Offer Date.

- 68.2. The Re-nomination Cycle in respect of Re-nominations at IPs (as described in Section 5) operates on a two hour (120 minutes) confirmation lead time.
69. Where the quantity of gas to be delivered an/or offtaken needs to be revised due to the circumstances described in paragraph 68 Users will have up to the commencement of the following Re-nomination Cycle to submit one or more Re-nominations to reflect the trade notification quantity included in the Physical or Locational trade submitted to National Grid NTS. Where no such Renomination/s has been received, National Grid NTS will amend the Processed Quantity it has previously determined (and consequently the Confirmed Quantity) to reflect the trade notification quantity in accordance with the following:
- 69.1. Where the User which has more than one relevant Confirmed Quantity effective for the relevant Gas Day, National Grid shall apply the revision to the Processed Quantities (as described in paragraph 96) in proportion to the User's latest Confirmed Quantities determined prior to the revision; and
- 69.2. Where more than one relevant Confirmed Quantity has been amended by National Grid NTS in accordance paragraph 69.1, Users will be able (subject to the closure time of the Re-nomination process) to submit further Re-nominations but the aggregate Re-nomination Quantities in the Re-nominations should be equal to the Users prevailing aggregate Confirmed Quantities.

4. Processing of Nominations [BC 13 and BC 14]

70. Users at an IP are entitled to submit to National Grid a Single Sided Nomination (where National Grid is the Initiating Transporter) or Double Sided Nomination in respect of the Gas Day between D-30 and 13:00 on the Preceding Day (the Nomination deadline). [BC 14(1)]
71. National Grid will only process the latest valid Related Nomination submitted by the User prior to the Nomination Deadline. [BC 14(2)]
72. All the reasons for rejection of a Nomination are covered in section 6 including those relating to content and nominated quantities.

Nomination Content

73. A Nomination will contain as a minimum [BC 13]
 - 73.1. The identity of the IP [BC 13(1), BRS 374];
 - 73.2. The Nomination type (i.e. Single Sided Nomination or Double Sided Nomination) [BRS 376];
 - 73.3. The direction of gas flow [BC 13(2)];
 - 73.4. The identity of the User (shipper short code) [BC 13(3), BRS 378];
 - 73.5. The identity of the User's Counterparty (including Balancing Portfolio Identification if applicable) [BC 13(4), BRS 383];
 - 73.6. The start and end time of gas flow (05:00 to 05:00) [BC 13(5), BRS 388];
 - 73.7. The date of commencement of the relevant Gas Day [BC 13(6), BRS 372];
 - 73.8. The nominated gas quantity (in kWh/d) [BC 13(7), BRS 395].

Nominations Validation and Matching

74. National Grid will validate that the Nomination complies with the Nomination content requirements specified in paragraph 73. [BRS 189]
75. National Grid will further validate that the quantity of gas nominated is not a negative value. [BC 17(1)] This validation is expected to be delivered via the relevant Edig@s message as the appropriate data field does not allow specification of a negative nomination value.
76. National Grid will determine a Processed Quantity and with its adjacent Transporter will undertake a Matching Process with the Adjacent Transporter's Processed Quantity in order to determine a consistent Confirmed Quantity.

Confirmation to User

77. For all Nominations (where National Grid is the Matching or Initiating Transporter) National Grid will issue notice to the relevant User specifying the Confirmed Quantity (which will become the prevailing Confirmed Quantity and may be different to the quantity nominated by the User) by 15:00 on the Preceding Day. [INT 8(5)(c)(iii), BC 14(3), BRS 270]

Contingency

78. Where a User does not submit any valid Nominations by 13:00 on the Preceding Day the default nomination rule (as referred to in paragraph 63) shall apply. [BC 14(5)]

5. Processing of Re-nominations [BC 13 and BC 15]

79. Users at an IP are entitled to submit to National Grid Single Sided Re-nominations (where National Grid is the Initiating Transporter) or Double Sided Re-nominations in respect of the Gas Day between 15:00 on the Preceding Day and 02:00 on the Gas Day. [BC 15(1)]
80. National Grid will undertake a Re-nomination Cycle at the start of each hour within the period specified in paragraph 79 for Re-nominations using the latest valid Related Re-nomination submitted by the User prior to the start of the relevant hour. Accordingly, the first such Re-nomination Cycle will commence at 16:00 on the Preceding Day. [BC 15(1) and 15(2)]
81. All the reasons for rejection of a Re-nomination are covered in section 6 including those relating to content and re-nominated quantities.

Re-nomination Content

82. A Re-nomination will contain as a minimum [BC 13]
 - 82.1. The identity of the IP [BC 13(1), BRS 374];
 - 82.2. The Re-nomination type (i.e. Single Sided Re-nomination or Double Sided Re-nomination) [BRS 376];
 - 82.3. The direction of gas flow [BC 13(2)];
 - 82.4. The identity of the User (shipper short code) [BC 13(3), BRS 378];
 - 82.5. The identity of the User's Counterparty (including Balancing Portfolio Identification if applicable) [BC 13(4), BRS 383];
 - 82.6. The start and end time (i.e. 05:00) of gas flow [BC 13(5), BRS 388];
 - 82.7. The date of the commencement of the relevant Gas Day [BC 13(6), BRS 372];
 - 82.8. The Re-nominated gas quantity (in kWh/d) [BC 13(7), BRS 395].

Re-nominations Validation and Matching

83. National Grid will validate that the Re-nomination complies with the Re-nomination content requirements specified in paragraph 82. [BRS 189]
84. National Grid will further validate that the quantity of gas Re-nominated is not a negative value (this validation is expected to be delivered via the relevant Edig@s message as the appropriate data field does not allow specification of a negative nomination value) and does not result in a negative implied Nomination flow rate (see paragraph 86 and 90.4). [BC 17(1)]
85. National Grid will determine a Processed Quantity and with its adjacent Transporter will undertake a Matching Process with the Adjacent Transporter's Processed Quantity in order to determine a consistent Confirmed Quantity.

Negative Nomination Flow Rate

86. A negative Nomination flow rate is implied where the result of the following formula is a negative value: [BC 17(1)(a)(iii)]

$$\text{re-nomination value (kWh)} - \left(\left(\frac{\text{prevailing Confirmed Quantity (kWh)}}{24} \right) \times \text{hours elapsed in Gas Day at Re-nomination effective time} \right)$$

Confirmation to User

87. National Grid will issue notice to the User specifying the Confirmed Quantity (and the relevant commencement time) within two hours of the commencement of the relevant Re-nomination Cycle i.e. up to 04:00 on the Gas Day. [BC 15(3), INT 8(5)(c)(iii), BRS 270]
88. The change in flow level will be effective from two hours following the commencement of the relevant Re-nomination Cycle unless [BC 15(3)] (subject to the agreement of the adjacent Transporter) The User specifies a later commencement time (up to 03:00).

6. Rejection or Revision of Nominations and Re-nominations [BC 17]

Rejections

89. National Grid may reject a Nomination or Re-nomination (for reasons specified in paragraph 90) but must notify the User within two hours following: [BC 17(1)]
- 89.1. In the case of Nominations, the Nomination deadline; or
- 89.2. In the case of Re-nominations, the commencement of the relevant Re-nomination Cycle.
90. The reasons for rejection are: [BC 17(1)]
- 90.1. The information described in paragraph 73 and 82, for Nominations and Re-nominations respectively, is not present and/or incorrect;
- 90.2. It has not been submitted by the User or the relevant User Agent; or
- 90.3. In an Exceptional Event where the nominated or Re-nominated quantity/ies exceeds the User's Entry Capacity Entitlement or Exit Capacity Entitlement (as applicable) at the IP (subject to paragraph 93); or
- 90.4. where a Re-nominated gas quantity is a negative value or results in a negative implied flow rate (see paragraph 86).
91. National Grid is not able to reject a Nomination or Re-nomination on the basis that the User's system inputs will not be equal to its outputs. [BC 17(2)]
92. If a Re-nomination is rejected, the previous Confirmed Quantity will be applicable. [BC 17(3)] (unless the Confirmed Quantity is revised in accordance with paragraph 93).

Revisions

93. The application of the current constraint management processes defined in the System Management Principles Statement may necessitate amendment of a User's Nominations and Re-nominations due to the occurrence of an Exceptional Event or in an emergency situation where there is an evident danger to system security and stability. In such cases National Grid may undertake the following actions:
- 93.1. National Grid may determine the Processed Quantity as a value
- 93.1.1. equal to the User's Firm Entry Capacity Entitlement or Firm Exit Capacity Entitlement (as applicable); or
- 93.1.2. that ensures the Implied Nomination Flow Rate (kWh/h) does not exceed the Available Capacity Rate (kWh/h).
- 93.2. National Grid may utilise one of the constraint management tools available to it which revises the User's capacity entitlement. In such cases the Processed Quantity will be revised by a Transporter to a value equal to the User's revised Firm Entry Capacity Entitlement (or Firm Exit Capacity Entitlement) or to a value reflective of the residual gas quantity following the User's trade (as applicable). [BC 17(4)]
- 93.3. In an emergency situation only, National Grid may determine the Processed Quantity to a value it deems appropriate to address the emergency situation.

94. Where National Grid revises the Processed Quantity as described in paragraphs 93.2 or 93.3 National Grid will advise Ofgem subsequent to undertaking such actions [BC 17(4)].
95. Where pursuant to paragraph 93 National Grid wishes to revise its Processed Quantity for a User which has more than one relevant Confirmed Quantity effective for the relevant Gas Day, it shall apply the revision to the Processed Quantities in proportion to the User's latest Confirmed Quantities determined prior to the revision.
96. Where National Grid revises its Processed Quantity pursuant to paragraph 95 it will undertake a Matching Process with its Adjacent Transporter and will notify the relevant User of the revised Confirmed Quantity within two hours of the commencement of the subsequent Re-nomination Cycle as per paragraph 87.

Processing Errors

97. In addition to those circumstances described in paragraph 90, additional grounds for rejection may arise due to the absence of sufficient information to enable the Matching Processes (in respect of Double Sided Nominations and Double Sided Re-nominations) to be completed [BRS 329]. In such cases:
 - 97.1. Where the Initiating Transporter does not receive a Nomination or Re-nomination and hence it is not able to identify the relevant User or provide its Processed Quantity to the Matching Transporter within the prescribed timescale, the Matching Transporter will reject the Nomination or Re-nomination it has received; or
 - 97.2. Where the Matching Transporter does not receive a Nomination or Re-nomination and hence it is not able to identify the relevant User or provide its Processed Quantity and the Confirmed Quantity to the Initiating Transporter within the prescribed timescale, the Initiating Transporter will reject the Nomination or Re-nomination it has received.
98. Where National Grid is not able to complete the Matching Process and subsequently provide the Confirmed Quantity to a User within the timescales prescribed for the relevant Nomination or Re-nomination (as per paragraphs 77 and 87), National Grid will notify the User of such inability by the prescribed deadline [BRS 329]. The inability of National Grid to provide a Confirmed Quantity as described within this paragraph will arise where:
 - 98.1. the Initiating Transporter does not receive the Matching Transporter's Processed Quantity and the Confirmed Quantity within the prescribed timescale; or
 - 98.2. the Matching Transporter does not receive the Initiating Transporter's Processed Quantity within the prescribed timescale.
99. In the circumstances described in paragraph 97 or 98, the prevailing Confirmed Quantity from the latest valid Nomination or Re-nomination will apply. Where no prior Nomination or Re-nomination has been submitted, this value will be determined in accordance with the default nomination rule as specified in paragraph 63.