

MODIFICATION 0609

TRANSITIONAL ARRANGEMENTS FOR GAS SETTLEMENT AND REPLACEMENT OF METER READINGS

LEGAL TEXT CHANGES TO UNIFORM NETWORK CODE

Proposed legal text

UNIFORM NETWORK CODE

TRANSITION DOCUMENT

PART IIC – TRANSITIONAL RULES

Delete paragraph 18.<sup>1</sup>

**PART IIF – NEXUS IMPLEMENTATION** Amend the text in Part IIF by making the changes shown below highlighted in yellow:

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**1 General**

**1.1 General**

1.1.1 This Part IIF sets out transitional rules in respect of the provisions of the Transportation Principal Document, the Independent Gas Transporters Arrangements Document and CSEP Network Exit Agreements as introduced or modified by the Nexus Modifications.

1.1.2 For the purposes of this Part IIF:

(a) **Nexus Modifications** means the Code Modifications referred to as Modifications 0432, 0434, 0440, 0473, 0576 and 0583 to be implemented with effect from the Implementation Date;

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(b) in relation to any matter provided for in the Code to which the Nexus Modifications relate:

**Old Rules** means the provisions of the Code and (where applicable) the rules contained in the CSEP Network Exit Agreements as they apply prior to the Nexus Modifications;

(i) **New Rules** means the provisions of the Code as they apply following the Nexus Modifications;

<sup>1</sup> Text dealing with transitional arrangements for Suppressed Reconciliation introduced by Modification 0515 – updated rules introduced under Modification 0528 included at paragraph 3.5 so Modification 0515 rules no longer needed.

(c) CDSP IGT Data Migration means the migration of certain data from the Independent Gas Transporters' data systems to the CDSP, as required under Annex A, Part 14 of the CSEP Network Exit Agreements (as modified to incorporate paragraph 11) in preparation for implementation of the Nexus Modifications; and

(d) **Implementation Date** means the **Project** Nexus Implementation Date, **(pursuant to consent to modify C055);**

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(e) **Last Pre-Nexus Day** means the Day before the Implementation Date;

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(f) **M(NID)** means the Month in which the Implementation Date falls, and M(NID) + or - n means the nth Month before or after M(NID). **Xoserve** means **Xoserve Limited** as the Transporter Agency or the CDSP, as applicable.

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1.1.3 The New Rules shall come into force before the Implementation Date, and the Old Rules shall remain in force on and after the Implementation Date, to the extent necessary to give effect to any provision of this Part IIF.

1.1.4 Except as provided in this Part IIF, where this Part IIF provides for the basis on which particular New Rules become effective, the corresponding Old Rules shall cease to be effective on the same basis.

1.1.5 This Part IIF is structured as follows:

(a) paragraph 1 sets out general transition rules relating to the Nexus Modifications;

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(b) paragraphs 2 to 9 set out transition rules relating to Nexus Modifications other than Modification 0440; and

(c) paragraphs 10 to 12 set out transition rules relating to Modification 0440.

1.1.6 This Part IIF is subject to paragraph 23 in Part IIC in respect of Retrospective Data Updates.

## 1.2 Section references and defined terms

1.2.1 In this Part IIF:

(a) unless otherwise provided, a reference:

(i) to a particular paragraph is to a paragraph of this Part IIF;

(ii) to a particular Section is to a Section of the Transportation Principal Document;

(b) a reference to a Section is to a Section under the New Rules unless expressly provided to be a reference under the Old Rules;

(c) a reference to an **OR** Section is to a Section under the Old Rules.

1.2.2 In this Part IIF, unless the context otherwise requires or this Part IIF otherwise provides, a defined term:

(a) which is defined only under the New Rules, has the meaning under the New Rules;

- (b) which is defined only under the Old Rules, has the meaning under the Old Rules;
- (c) which is defined under both the New Rules and the Old Rules:
  - (i) has the meaning under the New Rules when used (as the context may require) with reference to the New Rules or in relation to a Day or other period on or after the Implementation Date;
  - (ii) has the meaning under the Old Rules when used (as the context may require) with reference to the New Rules or in relation to a Day or other period before the Implementation Date.

1.2.3 In the **Code** under the New Rules, where a defined term which was also a defined term under the Old Rules is used in relation to a Day or other period before the Implementation Date, the term has the meaning under the Old Rules unless the context otherwise requires or this Part IIF otherwise provides.

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**1.3 Gas Flow Day basis of modification**

1.3.1 Where under this Part IIF any provision of the New Rules is to be effective from the Implementation Date on a **Gas Flow Day basis**:

- (a) such provision shall be effective in respect of gas flows (and related activities under the Code including the holding of System Capacity, the making of Nominations, and the allocation of quantities as UDQIs and UDQOs) on Days on and from the Implementation Date;

and accordingly

- (b) in relation to anything which (under the Code) may be done or is to be done before the Gas Flow Day, the New Rules shall apply before the Implementation Date in relation to Gas Flow Days on and after the Implementation Date;
- (c) in relation to anything which (under the Code) may be done or is to be done after the Gas Flow Day, the Old Rules shall apply on and after the Implementation Date in relation to Gas Flow Days before the Implementation Date.

**1.4 General transition rules**

Except as otherwise provided in this Part IIF, where any relevant condition or requirement is satisfied or relevant attribute applies (under the Old Rules) in relation to a Supply Meter Point (including an IGTS Supply Meter Point) or Supply Point (including an IGTS Supply Point) on the Last Pre-Nexus Day, the relevant condition or requirement shall be treated as satisfied or relevant attribute as applying (under the New Rules) on and with effect from the Implementation Date.

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1.4.1 For the purposes of paragraph 1.4.1 a relevant condition or requirement or relevant attribute is a condition or requirement **or attribute** applying to Supply Meter Points or Supply Points under the Old Rules which also applies under the New Rules.

**1.5 Non-Elapsed Time Days and Non-TPD Communication Days**

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1.5.1 For the purposes of this Part IIF:

(a) where a Day is a "Non-Elapsed Time Day" then such Day shall not count as:

(i) a Supply Point Systems Business Day for the purposes of Sections G and M under the Old Rules and the New Rules;

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(ii) a Query Count Day or a Query Receipt Day for the purposes of Section S4.7;

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(b) where a Day is a "Non-TPD Communication Day" then on such Day:

(i) a Party is not permitted to, and the CDSP shall not be required to, make any TPD Communication for the purposes of Section G;

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(ii) a User is not permitted or required to submit a Meter Information Notification, a Meter Information Update Notification or a C&D Notification to the CDSP for the purposes of Section M3.2;

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(iii) the CDSP shall not be required to make any TPD Communication for the purposes of Section M or update the Supply Point Register.

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1.5.2 Each Day in the period from (and including) 23 May 2017 to (and including) 5 June 2017 shall be a Non-Elapsed Time Day.

1.5.3 Each Day in the period from (and including) 23 May 2017 to (and including) 31 May shall also be a Non-TPD Communication Day.

1.5.4 For the purposes of OR Section M5.2.2 and 5.2.3 no liability shall be payable by the Transporter by reason of the failure by the Transporter to provide a Valid Meter Reading on a Non-Elapsed Time Day.

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1.5.5 A User shall not be entitled to notify an Invoice Query on a Non-TPD Communication Day.

## **2 Section C**

The New Rules in the following provisions of Section C are effective from the Implementation Date on a Gas Flow Day basis:

(a) Section C1.5 (Forecast User LDZ Unidentified Gas);

(b) Section C2.2.6 (deemed NDM Output Nominations).

## **3 Section E**

### **3.1 Gas Flow Day basis**

3.1.1 The New Rules in the following provisions of Section E are effective from the Implementation Date on a Gas Flow Day basis:

(a) Section E1.1.6 (User LDZ Unidentified Gas);

(b) Section E1.6 (information);

(c) Section 5.1.1 (Daily Imbalance).

### **3.2 Offtake reconciliation**

- 3.2.1 Offtake Reconciliation will be carried out (in accordance with and subject to the New Rules):
- (a) in relation to Supply Meter Points which (under the Old Rules) were Individually Reconciled, in respect of each Valid Meter Reading submitted by a User on or after the Implementation Date, including Valid Meter Readings for Read Dates before the Implementation Date;
  - (b) in relation to Supply Meter Points which (under the Old Rules) were not Individually Reconciled, in respect of each Valid Meter Reading for a Read Date which is on or after the Implementation Date.
- 3.2.2 Accordingly DM Reconciliation, Individual CSEP Reconciliation and Individual NDM Reconciliation under the Old Rules will not be carried out in respect of any Meter Reading submitted on or after the Implementation Date.
- 3.2.3 For the purposes of this Part IIF:
- (a) **Transitional Offtake Reconciliation** means an Offtake Reconciliation where the Reconciliation Metered Period starts before the Implementation Date and ends on or after the Implementation Date;
  - (b) in relation to any Transitional Offtake Reconciliation:
    - (i) **First Period** means that part of the Reconciliation Metered Period which ends on the Last Pre-Nexus Day;
    - (ii) **Second Period** means that part of the Reconciliation Metered Period which starts on the Implementation Date;
  - (c) a System Exit Point was **Individually-Reconciled** where (under the Old Rules, in the First Period) it was of a kind which was subject to Individual Reconciliation.
- 3.2.4 For the purposes of any Transitional Offtake Reconciliation, where the System Exit Point was Individually-Reconciled:
- (a) Offtake Reconciliation shall be carried out (under the New Rules) in respect of the entire Reconciliation Metered Period, and accordingly the Reconciliation Quantity, Reconciliation Clearing Value and Prevailing Metered Volume shall be calculated under the New Rules on the basis of the sum (in Sections E1.3.4(a), E6.2.3(b) and E6.2.5) over all Days in the Reconciliation Metered Period;
  - (b) for the purposes of Unidentified Gas Reconciliation (under the New Rules) and Aggregate NDM Reconciliation (under the Old Rules), the Reconciliation Quantity and Reconciliation Clearing Value shall be divided into two parts:
    - (i) the first part (**First Period RQ** and **First Period RCV**) calculated in accordance with Sections E1.3.4(a) and E6.2.5 on the basis of the sum over Days in the First Period;
    - (ii) the second part (**Second Period RQ** and **Second Period RCV**) calculated in accordance with Sections E1.3.4(a) and E6.2.5 on the basis of the sum over Days in the Second Period.

3.2.5 Where the System Exit Point was not Individually-Reconciled, Offtake Reconciliation shall be carried out (under the New Rules) in respect of the Second Period only, and accordingly the Reconciliation Clearing Value and Prevailing Metered Volume shall be calculated on the basis of the sum (in Sections E6.2.3(b) and E6.2.5) over Days in the Second Period.

3.2.6 The New Rules in Section E6.6 (Shared Supply Meter Points) apply in respect of each Offtake Reconciliation carried out on or after the Implementation Date.

### **3.3 Unidentified Gas Reconciliation under the New Rules**

3.3.1 For the purposes of Unidentified Gas Reconciliation, for each Reconciliation Billing Period which falls within the first 12 months from the Implementation Date, the Unidentified Gas Reconciliation Period shall be the period starting on the Implementation Date and ending on the last Day of the Reconciliation Billing Period (and Section E7.1.2(a) is modified accordingly).

3.3.2 For the purposes of Unidentified Gas Reconciliation, in relation to any System Exit Point for which Transitional Offtake Reconciliation was undertaken in the Reconciliation Billing Period, only the Second Period RQ and Second Period RCV shall be taken into account in calculating the Aggregate Reconciliation Quantity and Aggregate Reconciliation Clearing Value (and Section E7.1.2(a) is modified accordingly).

### **3.4 Aggregate NDM Reconciliation under the Old Rules**

3.4.1 Aggregate NDM Reconciliation under the Old Rules shall continue to be carried out following the Implementation Date, in respect of Offtake Reconciliations relating to Individually-Reconciled System Exit Points, where the first Day of the Reconciliation Metered Period is before the Implementation Date, in accordance with this paragraph 3.4.

3.4.2 For the purposes of such Aggregate NDM Reconciliation in any Reconciliation Billing Period after the Implementation Date:

- (a) the Aggregate Reconciliation Quantity and Aggregate Reconciliation Clearing Value (under OR Section E7.2.2(a)) shall be calculated using, in the case of an Individually-Reconciled System Exit Point for which Transitional Offtake Reconciliation was carried out in the Reconciliation Billing Period, the First Period RQ and First Period RCV; and the Aggregate Reconciliation Transportation Charge Adjustments shall be determined accordingly;
- (b) all System Exit Points shall be treated as comprising a single Individual Reconciliation Sector for which the Aggregate Reconciliation Period is the period of 12 months referred to in OR Section E7.2.2(f)(iii) (and the distinctions in Section E7 between Monthly Individual Reconciliation, LDZ Reconciliation, Annual Individual Reconciliation and DM Check Individual Reconciliation are to be disregarded);
- (c) for the purposes of calculating User SP LDZ Aggregate AQ, in relation to Days in the Aggregate Reconciliation Period on or after the Implementation Date, for each Smaller Supply Point the Annual Quantity under the New Rules shall be used.

### **3.5 Suppressed Reconciliation**

3.5.1 Any Suppressed Reconciliation Value which remains Suppressed on the Last Pre-Nexus Day shall continue to be Investigated following the Implementation Date under the Old Rules, subject to the further provisions of this paragraph 3.5.

3.5.2 For the purposes of this paragraph 3.5:

- (a) OR Sections E8.2 and 8.3 shall not apply;
- (b) **"User Resolution Deadline"** and **"Transporter Resolution Deadline"** mean respectively, the date falling six (6) and twelve (12) months after the Implementation Date.

3.5.3 Where a User Suppressed Reconciliation Value remains Suppressed on the User Resolution Deadline the Transporter will commence an investigation of the User Suppressed Reconciliation Value in accordance with OR Section E8.4.1.

3.5.4 Where following Investigation by the Transporter a User Suppressed Reconciliation Value:

- (a) ceases to be Suppressed, for the purposes of OR Section E8.4.5(a) the relevant Invoice Items shall be included in a Reconciliation Invoice submitted by the Transporter within two (2) months of the Transporter Resolution Deadline;
- (b) remains Suppressed on the Transporter Resolution Deadline, the Transporter shall make the determination referred to in OR Section E8.4.5(b) and the Suppressed Reconciliation Value shall not be used for any purpose.

3.5.5 For the purposes of OR Section E8.4.4 the provisions of TPD Section M4.1 shall apply in respect of any changes identified following the Investigation.

### 3.6 AUG

3.6.1 The Old Rules in OR Section E10 for the calculation and payment of User Unidentified Gas Amounts shall operate in respect of Reconciliation Billing Periods up to and including but not after the Reconciliation Billing Period ending on the Last Pre-Nexus Day; and such rules shall cease to be effective thereafter.

3.6.2 For the avoidance of doubt, the prevailing AUG Table established under OR Section E10, has no effect after the Last Pre-Nexus Day.

3.6.3 For the period from the Implementation Date to 30 September 2017, for the purposes of Section E1.1.6(c):

- (a) each Supply Meter Point belongs to a category defined by its Class and EUC;
- (b) the allocation factors for each such category of Supply Meter Point are as set out in the table below:

Class	Allocation Factor	
	EUC Band 1	EUC Band 2 to 9
Class 1	0	0
Class 2	0	0
Class 3	1.17	1.28
Class 4	1.17	1.28

- (c) each Metered Connected System Exit Point belongs to a single category of Metered Connected System Exit Points, for which the allocation factor is zero (0).

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3.6.4 The New Rules in Section E9 shall apply for the purposes of appointing an AUG Expert and preparing an AUG Statement and an AUG Table in respect of the AUG Year commencing 1 October 2017.

## 4 Section F

### 4.1 General

4.1.1 The New Rules under Section F shall be effective, and the Old Rules under Section F shall cease to be effective, on the same basis as the New Rules and Old Rules under Section E become and cease to be effective (and so as to give effect to System Clearing Contracts by reference to the New Rules and Old Rules under Section E as so effective).

### 4.2 Reconciliation Neutrality

4.2.1 It is acknowledged for the avoidance of doubt that the provisions of OR Section F6 ceased to be effective prior to the Nexus Modifications.

## 5 Section G

### 5.1 General

5.1.1 No Code Communication under Section G may be submitted by a User or will be submitted by the CDSP or a Transporter under the New Rules on a Day before the Implementation Date.

5.1.2 Except as provided in this Part IIF, no Code Communication under Section G may be submitted by a User or will be submitted by the CDSP or a Transporter under the Old Rules on or after the Implementation Date.

5.1.3 Except as provided in this Part IIF, where:

- (a) before the Implementation Date a User, the CDSP or a Transporter has submitted a Code Communication under Section G under the Old Rules, and
- (b) the process (under the Old Rules) initiated by such Code Communication, or to which such Code Communication otherwise relates, has not been completed before the Implementation Date,

then (irrespective of whether the process was not completed as a result of any delay by the CDSP, a Transporter or a User), with effect from the Implementation Date such process shall lapse and the Code Communication shall be of no effect, unless:

- (c) the same process or an equivalent process exists under the New Rules, and
- (d) the Code Communication contains the data which would be required under the New Rules and is otherwise capable of applying for the purposes of the New Rules;

in which case such Code Communication shall be effective for the purposes of the New Rules.

### 5.2 Classes of Supply Point



5.2.1 On and with effect from the Implementation Date each Supply **Meter** Point shall be classified as follows:

- (a) where on the Last Pre-Nexus Day the Supply **Meter** Point was a DM Supply **Meter** Point pursuant to OR Section G1.5.1(b)(i), the Supply Point shall be in Class 1;
- (b) where on the Last Pre-Nexus Day the Supply **Meter** Point was a DM Supply **Meter** Point pursuant to OR Section G1.5.1(b)(ii), the Supply Point shall be in Class 2;
- (c) in all other cases the Supply Point shall be in Class 4, subject to paragraph 5.2.2;

and such classification shall be automatic without any requirement for a User to do anything (pursuant to Section G1.11 or otherwise) to give effect to such change.

5.2.2 In respect of each Supply **Meter** Point which on the Last Pre-Nexus Day is classified as a DM Supply Meter Point with Transporter Daily Read Equipment installed pursuant to an election by the Registered User:

- (a) subject to paragraph (b), with effect from the Implementation Date, the Supply **Meter** Point shall be in Class 1;
- (b) unless by the date falling six (6) months after the Implementation Date ("**relevant date**") the Supply Point:
  - (i) becomes in Class 1 because the Class 1 Requirement applies; or
  - (ii) is re-classified as Class 2, 3 or 4 pursuant to an election by the Registered User,

the Supply **Meter** Point shall be re-classified in Class 4 with effect from a date, no later than one (1) month after the relevant date, determined by the **CDSP**.

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5.2.3 In accordance with paragraph 5.1.1, no election as to the Class of a Supply **Meter** Point may be made by a User before the Implementation Date.

5.2.4 In accordance with paragraphs 5.2.1 and 5.2.3, no Supply Meter Point may be in Class 3 except pursuant to an election made by a User on or after the Implementation Date.

5.2.5 A determination (as to whether a Supply Meter can be Daily Read) made before the Implementation Date under OR Section G1.5.4 shall be effective as a determination (as to whether the Class 1 Meter Read Requirements can be satisfied in relation to the Supply Meter) under the New Rules in Section G1.5.4.

5.2.6 Where to give effect to any provision of the Code **including** this Part IIF it is necessary to treat a Supply **Meter Point or Supply Point** as belonging (before the Implementation Date) to a Class under the New Rules, such classification shall be on the basis in paragraph 5.2.1.

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5.2.7 For the purposes of Section G1.6.15 under the New Rules, no preceding period (as referred to in that Section) shall start before the Implementation Date, and accordingly for the purposes of determining whether a threshold requirement is satisfied, no month ending before the Implementation Date may be counted as an AQ Calculation Month.

5.2.8 The restriction (on changing Class or meter reading elections) in Section G1.11.3(a) of the New Rules first applies in relation to a Supply Meter Point following the first change in Class or meter reading election for such Supply Meter Point on or after the Implementation Date.

### 5.3 Annual Quantity with effect from Nexus Implementation Date

5.3.1 With effect on and from the Implementation Date, the Annual Quantity of each Supply Meter Point shall be the Annual Quantity determined pursuant to the Old Rules and prevailing as at the Last Pre-Nexus Day, until such time as a different Annual Quantity applies pursuant to the New Rules (as they apply pursuant to paragraph 5.4).

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5.3.2 The provisions of the Old Rules which would (before the Implementation Date) apply, for the purposes of determining the Annual Quantity of each Supply Meter Point on and with effect from 1 October 2017, and the related reporting provisions of OR Section G1.6.18, shall not apply (and if the CDSP implements any process pursuant to those provisions, it shall be for information only and shall have no effect for the purposes of the Code).

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5.3.3 In relation to the provisions of OR Section G1.6.13 and G1.6.14 for appeal of the Annual Quantity for a Supply Point,

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(a) no notification of such an appeal (under OR Section G1.6.13(a) or (b)) may be given after 31 March 2017.

(b) where a User gave notification of such an appeal in respect of a Supply Meter Point on or before 31 March 2017, and for any reason of the processes set out in OR Section G1.5.13 have not been completed (and the Annual Quantity for such Supply Meter Point has not been substituted under OR Section G1.6.13(d)) by 30 April 2017 the notification of such appeal and the appeals process shall lapse and be of no effect;

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(c) consistent with paragraph (b), a Supply Point Reconfirmation under OR Section G1.6.14 for a Supply Point Registration Date on or after 1 May 2017 will be invalid and of no effect;

(d) the reporting provisions of OR Section G1.6.26 shall apply consistent with paragraphs (a), (b) and (c) above

and no Party shall be treated to be in breach of Code by reason of acting in accordance with the provisions in this paragraph 5.3.3 prior to the date on which the Modification pursuant to which this amended paragraph has effect was approved by the Authority.

### 5.4 Annual Quantities determined under New Rules

5.4.1 For the purposes of calculating the Annual Quantity of a Supply Meter Point under the New Rules:

(a) other than a Pre-Nexus Meter Reading (which is Valid under the New Rules) with a Read Date on or after Day 11 of M(NID)-1 and submitted in the period between the Implementation Date and Day 10 of M(NID), no Pre-Nexus Meter Reading shall be an AQ Closing Read for the purposes of Section G1.6.7(a);

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(b) a Qualifying Pre-Nexus Meter Reading will be treated as a Valid Meter Reading for the purposes of determining AQ Opening Readings under Section G1.6.7(b), but subject to paragraph 5.4.2.

5.4.2 Where a quantity is calculated (under the New Rules), as the Annual Quantity of a Supply Meter Point, on the basis of a Qualifying Pre-Nexus Meter Reading as the AQ Opening Reading:

- (a) the quantity so calculated will be subject to validation by the **CDSP** under the Nexus Transitional AQ Validation Rules;
- (b) if the quantity fails such validation, such quantity will not apply as the Annual Quantity and the prevailing Annual Quantity of the Supply Meter Point shall be unchanged.

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5.4.3 For the purposes of this paragraph 5.4:

- (a) a **Pre-Nexus Meter Reading** is a Meter Reading with a Read Date before the Nexus Implementation Date;
- (b) a Pre-Nexus Meter Reading is **Qualifying** where:
  - (i) it was a Valid Meter Reading under (and as defined in) the Old Rules; and
  - (ii) if paragraph 5.4.6 applies in relation to a Supply Meter Point, the Read Date of the Pre-Nexus Meter Reading is not earlier than the Backstop Read Date or (if more than one) the latest Backstop Read Date;
- (c) the **Nexus Transitional AQ Validation Rules** are the rules contained in the document so entitled dated as of the Nexus Implementation Date and issued by the Transporters as a UNC Related Document, as such document may be amended in accordance with TPD Section V12.

5.4.4 In accordance with paragraphs 5.4.1 to 5.4.3:

- (a) the calculation of Annual Quantities under the New Rules will commence in M(NID) (as the first AQ Calculation Month);
- (b) the first AQ Read Submission Period shall be a short period starting Day 1 of M(NID) and ending Day 10 of M(NID);
- (c) the earliest Day from which such an Annual Quantity may apply is Day 1 of M(NID)+1.

5.4.5 A User may (under the New Rules in Section G1.6.20 to G1.6.26) request a change in an Annual Quantity determined and applying under the New Rules, but not an Annual Quantity applying pursuant to paragraph 5.3.1.

5.4.6 This paragraph 5.4.6 applies in relation to a Supply Meter Point where (under the Old Rules), for any Gas Year ending before the Implementation Date:

- (a) the Annual Quantity was determined pursuant to OR Section G1.6.7(a) as the User Provisional Annual Quantity following a notification by a User under OR Section G1.6.4, or
- (b) the Annual Quantity was substituted pursuant to OR Section 1.6.13(d) following an appeal by a User under OR Section G1.6.13(a)(i), or

- (c) in a case where the Annual Quantity was not determined pursuant to OR Section G1.6.7(a) as the User Provisional Annual Quantity, the Transporter determined that the Provisional Annual Quantity (determined under OR Section G1.6.2) manifestly did not satisfy the requirement in OR Section G1.6.6, and as a result no new Annual Quantity was established under OR Section G1.6.7 (and the prevailing Annual Quantity for the preceding Gas Year continued to apply for the Gas Year in question);

and where this paragraph 5.4.6 applies the Backstop Read Date is:

- (i) in a case in paragraph (a) or (b), the Read Date of the later or latest of the Meter Readings provided by the User pursuant to OR Section G1.6.5(a)(ii) or (where applicable) (b)(i) in connection with such determination or substitution, or
- (ii) in a case in paragraph (c), the Read Date of the ending Meter Read (as referred to in OR Section H3.2.2) on the basis of which the Provisional Annual Quantity was calculated.

**5.4.7 For the purposes of TPD Section G1.6.17:**

(a) the Formula Year Annual Quantity of a Supply Point for the Formula Year 2017/2018 shall be the Annual Quantity prevailing (under the Old Rules) as at the Last Pre-Nexus Date, subject to paragraph (b);

(b) the New Rules shall apply:

- (i) for any revision of the Formula Year Annual Quantity of a Supply Point for such Formula Year pursuant to TPD Section G1.6.18;
- (ii) for determining the Formula Year Annual Quantity of a Supply Point for the Formula Year 2018/2019.

**5.5 Supply Point Administration**

5.5.1 A Supply Point Enquiry submitted (under the New Rules) on or after the Implementation Date may specify a relevant consumption period which commences before the Implementation Date (subject to Section G1.17.4(a)).

5.5.2 Where before the Implementation Date:

- (a) a User has submitted a Supply Point Nomination, or
- (b) the CDSP has submitted a Supply Point Offer to a User

in respect of a Supply Point, and (in a case within paragraph (a)) the CDSP has not submitted a Supply Point Offer or (in a case within paragraph (b)) the User has not submitted a Supply Point Confirmation before the Implementation Date, such Supply Point Nomination or Supply Point Offer shall lapse and be of no effect.

5.5.3 Paragraph 5.5.2 applies whether or not (in a case within paragraph 5.5.2(a)) a referral notice under Section G2.3.8 has been given to the User; and in a case where a referral notice was given, where the Supply Point Nomination lapses the assessment by the Transporter of the feasibility of making gas available for offtake will be discontinued.

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- 5.5.4 Where before the Implementation Date a User has submitted a Supply Point Confirmation in respect of a Supply Point for a Proposed Supply Point Registration Date on or after the Implementation Date, the Supply Point Confirmation shall be effective for the purposes of (and subject to) the New Rules on the basis that the Class for which the Supply Point is Nominated is determined in accordance with paragraph 5.2.1 and 5.2.2.
- 5.5.5 Paragraph 5.3.4 applies whether or not there was, at the time of submission of the Supply Point Confirmation, an appeal (as referred to in paragraph 5.3.5) in respect of the Annual Quantity of the Supply Point which lapses pursuant to paragraph 5.4.5.
- 5.5.6 Subject to paragraphs 5.5.7 and 5.5.8, where before the Implementation Date a User notified a revision of the Supply Point Register (as contemplated by OR Annex G-1), and such revision was not made before the Implementation Date, then such notification shall be effective as notice of a Supply Point Amendment under (and subject to) the New Rules.
- 5.5.7 Paragraph 5.5.6 does not apply to revisions of the Supply Point Register under OR Annex G-1 paragraphs 1(vi), (viii) or (ix), and any notification of such revision shall lapse and be of no effect if the revision was not made before the Implementation Date.
- 5.5.8 Paragraph 5.5.6 does not apply to a Capacity Revision Application where:
- (a) it was necessary (as provided in Section G5.5.4) to assess the feasibility of making gas available for offtake, and
  - (b) the Transporter's response (as provided in Section G5.1.10) was not provided **to the CDSP** before the Implementation Date;
- and in such a case the Capacity Revision Application shall lapse and be of no effect upon the Implementation Date.
- 5.5.9 **TPD** Communications of the following kinds under Section G will (in accordance with paragraph 5.1.3), if submitted (under the Old Rules) before and outstanding at the Implementation Date, be effective under (and subject to) the New Rules:
- (a) Supply Point Enquiries; and
  - (b) Supply Point Objections.
- 5.5.10 For the purposes of this Part IIF where prior to the Implementation Date a Proposing User wishes to submit a Supply Point Confirmation specifying a relevant Proposed Supply Point Registration Date the reference to 14 calendar days in ~~Section G2.5.8(b)~~ shall not apply, and the latest date on which the Proposing User may submit the Supply Point Confirmation shall be the date specified in the table below:

relevant Proposed Supply Point Registration Date	Latest date on which the Proposing User may submit a Supply Point Confirmation specifying the relevant Proposed Supply Point Registration Date
31 May, 1, 2, 3, 4, 5 or 6 June 2017	16 May 2017
7 June 2017	17 May 2017

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8 June 2017	18 May 2017
9, 10, 11, 12, 13 or 14 June 2017	22 May 2017

5.5.11 In respect of a Supply Point Confirmation submitted on 19, 20 or 21 May 2017 the Proposed Supply Point Registration Date may not be earlier than 9 June 2017.

**5.5.12 Where a User submits a Supply Point Withdrawal in respect of a Supply Point which has not become effective (in accordance with the Old Rules) on or before 22 May 2017, the Supply Point Withdrawal shall lapse and be of no effect (and for the User to cease to be the Registered User of the Supply Point it shall be required to submit a further Supply Point Withdrawal on or after the Implementation Date).**

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## 6 Section H

### 6.1 Demand Models and EUCs

6.1.1 The New Rules in Section H1 (including the procedures in Sections H1.7, H1.8 and H1.9) shall apply for the purposes of determining Demand Models and End User Categories for the Gas Year starting 1 October 2017 (and any other matter which is to be determined for such Gas Year).

6.1.2 The Demand Models, End User Categories, and values of Composite Weather Variable, ALP, DAF and EUC peak load factor applying with effect from the Implementation Date shall be those applying pursuant to the Old Rules as at the Last Pre-Nexus Day.

6.1.3 Other provisions of Section H1 shall apply, with effect from the Implementation Date, so far as they are capable of so applying, in continuity of the equivalent provisions of Old Rules as they applied on the Last Pre-Nexus Day; and accordingly:

- (a) the Weather Station Substitution Methodology and Climate Change Methodology prevailing as at the Last Pre-Nexus Day shall apply on and with effect from the Implementation Date;
- (b) for the purposes of Sections H1.4.9 and H1.6 the arrangements made by the Transporters under the Old Rules apply as from the Implementation Date;
- (c) the Demand Estimation Sub-Committee as constituted on the Last Pre-Nexus Day shall continue so constituted on and with effect from the Implementation Date.

6.1.4 The initial NDM Demand Estimation Methodology is the document so entitled, published by the Transporters and dated as of the Nexus Implementation Date (and such document is deemed approved by the Demand Estimation Sub-Committee for the purposes of Section E1.13.1).

### 6.2 Supply Meter Point Demand

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5.6.2 . In the event a User submits: -

(i) where an Affected Offtake Reconciliation is a Transitional Offtake Reconciliation, the determination (or re-determination) of the Reconciliation Quantity and the Reconciliation Clearing Value shall be carried out for the First Period and the Second Period on the basis referred to in paragraph 3.2.4(b) for the purposes of Unidentified Gas Reconciliation (under the New Rules) and Aggregate NDM Reconciliation (under the O ... [2]

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(i) where an Affected Offtake Reconciliation is a Transitional Offtake Reconciliation, the determination (or re-determination) of the Reconciliation Quantity and the Reconciliation Clearing Value shall be carried out for the First Period and the Second Period on the basis referred to in paragraph 3.2.4(b) for the purposes of Unidentified Gas Reconciliation (under the New Rules) and Aggregate NDM Reconciliation (under the O ... [3]

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(i) where an Affected Offtake Reconciliation is a Transitional Offtake Reconciliation, the determination (or re-determination) of the Reconciliation Quantity and the Reconciliation Clearing Value shall be carried out for the First Period and the Second Period on the basis referred to in paragraph 3.2.4(b) for the purposes ... [4]

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**Deleted:** (b) . an Updated Meter Reading for which the Read Date, -

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**Deleted:** (b) . in relation to a System Exit Point which was not Individually-Reconciled; - ... [8]

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6.2.1 The New Rules in Section H2 shall apply for the purposes of determining NDM Supply Meter Point Demand and Unidentified Gas and Forecast Unidentified Gas in respect of each Day commencing with the Implementation Date, and accordingly are effective from the Implementation Date on a Gas Flow Day basis.

### 6.3 Annual Quantity

6.3.1 The New Rules in Section H3 shall apply for the purposes of determining Annual Quantity in each AQ Calculation Month in accordance with paragraph 5.4.

### 6.4 NDM Capacity

6.4.1 The New Rules in Section H4.1 (as to Supply Point Capacity in respect of NDM Supply Points) are effective from the Implementation Date on a Gas Flow Day basis.

## 7 Section M

### 7.1 General

7.1.1 Except as provided in this Part IIF, the New Rules in Section M are effective in respect of Meter Readings submitted to the CDSF on or after the Implementation Date, including Meter Readings for Read Dates before the Implementation Date, and accordingly the Old Rules are not effective in respect of Meter Readings which have not been submitted before the Implementation Date.

7.1.2 Except as provided in this Part IIF, a Meter Reading which was obtained (under any provision of the Old Rules) with a Read Date before the Implementation Date but submitted to the CDSF on or after the Implementation Date, will be counted as a Meter Reading for the purposes of the New Rules, but subject to paragraph 7.2.

7.1.3 Except as provided in this Part IIF, where any provision (under the New Rules) of the Code in relation to a Meter Reading operates by reference to an earlier Meter Reading, a Meter Reading which was obtained, submitted and subjected to validation before the Implementation Date and was Valid under the Old Rules will count (subject to the New Rules) as such an earlier Meter Reading (and references in Section M to Meter Reads and Meter Readings shall be construed accordingly).

7.1.4 Paragraph 7.1.3 applies, without limitation, in respect of any provision (under the New Rules) for Offtake Reconciliation.

7.1.5 The Class (under the New Rules) of a Supply Meter on the Implementation Date shall be determined (in accordance with Section M1.3.1) by reference to the Class of the Supply Meter Point pursuant to paragraph 5.2.1 and 5.2.2; and where to give effect to any provision of the Code or this Part IIF it is necessary to treat a Supply Meter under the Old Rules as belonging (before the Implementation Date) to a Class under the New Rules, the Supply Meter shall be classified accordingly.

### 7.2 Validity

7.2.1 The provisions of the New Rules (in Section M5.2 and the other provisions referred to in that Section) as to whether a Meter Reading is Valid apply in respect of any Meter Reading submitted to the CDSF on or after the Implementation Date, including a Meter Reading for which the Read Date is before the Implementation Date.

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Deleted: <#>For the purposes of the Code (including Section H4.1), the Formula Year Annual Quantity of each NDM Supply Point shall be revised with effect from the Implementation Date to be equal to the Annual Quantity of the NDM Supply Point applying (in accordance with paragraph 5.3) on the Implementation Date; and such revised Formula Year Annual Quantity shall apply (subject to Section H4.1.2) until the end of the Formula Year (31 March 2017).

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7.2.2 In accordance with paragraph 7.2.1 a Meter Reading with a Read Date before the Implementation Date may be rejected as not Valid even where (under the Old Rules) it would have been Valid.

### **7.3 Validation Rules**

7.3.1 For the purposes of Section M5.3.3 the initial Uniform Network Code Validation Rules applying under the New Rules are the rules and procedures in the document so entitled, issued by the Transporters and dated as of the Nexus Implementation Date (subject to amendment in accordance with that Section).

### **7.4 Meter Read Requirements**

7.4.1 The requirements (for Meter Readings to be obtained and submitted) under the New Rules in Section M5.1 are effective on the basis set out in this paragraph 7.

7.4.2 The New Rules (as to estimation of Metered Volume) under Section M5.4 are effective:

- (a) in relation to Class 1 and 2 Supply Meters, as to Metered Volume for any Day on and after the Implementation Date;
- (b) in relation to Class 3 and 4 Supply Meters, as to Metered Volume for any period (as referred to in Section M5.4.2) ending on or after the Implementation Date.

7.4.3 The New Rules (as to cyclic Meter Readings in respect of Class 1 and Class 2 Supply Meters) under Sections M5.6 and M5.7 are effective as to Meter Readings for which the Read Date is on or after the Implementation Date, subject to paragraph 7.4.6.

7.4.4 The New Rules (as to cyclic Meter Readings in respect of Class 3 Supply Meters) under Section M5.8 are effective from the first time at which a User elects for Supply Meter Point to be in Class 3.

7.4.5 The New Rules under the following provisions:

- (a) Section M5.9 (as cyclic Meter Readings in respect of Class 4 Supply Meters), and
- (b) Section M5.10 (failure to obtain Meter Readings) and M5.12 (Check Reads)

shall apply, with effect from the Implementation Date, so far as they are capable of so applying, in continuity of the equivalent provisions of Old Rules as they applied on the Last Pre-Nexus Day.

7.4.6 In accordance with paragraph 7.4.5:

- (a) the Registered User of a Class 4 Supply Meter will be treated as having elected a monthly Meter Read Frequency for the purposes of Section M5.9.1(b)(ii) where (on the Last Pre-Nexus Day) such an election was in force under OR Section G2.3.2(f)(ii);
- (b) in relation to the first Meter Reading of a Class 4 Supply Meter on or after the Implementation Date, the minimum periods (since the Read Date of the preceding Valid Meter Reading) provided for in Section M5.9.2 shall run from Read Dates before the Implementation Date;



- (c) the requirements in Section M5.9.4 (as to percentages of Valid Meter Readings to be submitted within specified periods after Read Date) will apply on and after the Implementation Date in respect of Read Dates before the Implementation Date;
- (d) the requirements in Section M5.9.8 and M5.9.9 (as to frequency within which Valid Meter Readings are to be obtained, percentage of Relevant Supply Meters for which Valid Readings are to be obtained within a specified period, and maximum period from the last Read Date of the Read Date of a Monthly Read Meter) shall apply, on and from the Implementation Date, on the basis of the specified periods starting before the Implementation Date;
- (e) in relation to a Class 2 or 4 Supply Meter, until a Valid Meter Reading is submitted on or after the Implementation Date, the maximum periods provided for in Section M5.10.1 shall run from the Read Date of the last preceding Valid Meter Reading before the Implementation Date;
- (f) in relation to the first Check Read in respect of a Supply Meter on or after the Implementation Date, the maximum periods (since the Read Date of the last Check Read) provided for in Section M5.12.3 shall run from Read Dates before the Implementation Date.

7.4.7 Section M5.11 shall apply, on and with effect from the Implementation Date, in respect of any Day (including a Day before the Implementation Date) for which the Exit Close-Out Date is not earlier than the Implementation Date; and the equivalent Old Rules shall cease to apply accordingly.

## 7.5 Opening Meter Readings

7.5.1 The New Rules (as to the submission or estimation of Opening Meter Readings) in Section M5.13 apply only to Supply Point Confirmations submitted on or after the Implementation Date.

7.5.2 Accordingly, **and subject to paragraph 7.5.5**, in relation to a Supply Point Confirmation submitted before the Implementation Date for a Proposed Supply Point Registration Date on or after the Implementation Date, the Old Rules (in OR Section M3.8) shall apply in relation to the submission or estimation of an Opening Meter Reading.

7.5.3 The New Rules (in Section M5.13.11) as to the carrying out of Offtake Reconciliations in respect of Opening Meter Readings apply in respect of any Opening Meter Reading submitted or estimated on or after the Implementation Date.

7.5.4 The requirements in Section M5.13.17 (as to percentage of Opening Meter Readings for SSP qualifying transfers to be submitted in a month) apply, in relation to the month starting on the Implementation Date, to Opening Meter Readings whether the Read Date is before or on or after the Implementation Date.

7.5.5 Where in respect of a Supply Point the last Supply Point Confirmation which became effective prior to the Implementation Date was submitted by the Existing User paragraph 7.10.2 shall apply.<sup>2</sup>

7.5.6 Subject to paragraph 7.10.3, where this paragraph applies, the CDS<sup>2</sup> shall determine an estimated Meter Reading in accordance with the New Rules (Section M5.4.1(b) or 5.4.2) which shall be used as the Opening Meter Reading in respect of the Supply Point Confirmation, for which purposes:

- (a) the estimated Meter Reading shall be made for a Read Date which is the last Supply Point Registration Date by reference to available Valid Meter Readings for the Supply Point;
- (b) where no Valid Meter Reading is available for the Supply Point the estimated Meter Reading shall be zero.

7.5.7 Paragraph 7.10.2 shall not apply in the event the Existing User submits an Opening Meter Reading on or after the Implementation Date provided the Opening Meter Reading is submitted by the time specified in the New Rules (in Section M5.13.4).

7.5.8

## 7.6 Updated Meter Readings

7.6.1 The New Rules as to Updated Meter Readings are effective on and after the Implementation Date, subject to the further provisions of this paragraph 7.6.

7.6.2 In the event a User submits an Updated Meter Reading for which the Read Date is earlier than the Implementation Date then for the purposes of Section E6.7.4 and 6.7.5 paragraph 7.6.3 shall apply.

7.6.3 Where this paragraph applies:

- (a) in relation to a System Exit Point which was Individually-Reconciled:
  - (i) for each Affected Offtake Reconciliation, the determination (or redetermination) of the Reconciliation Values shall be carried out by reference to the Updated Meter Read in accordance with the New Rules and on the basis referred to in paragraph 3.2.4(a);
  - (ii) where an Affected Offtake Reconciliation is a Transitional Offtake Reconciliation, the determination (or re-determination) of the Reconciliation Quantity and the Reconciliation Clearing Value shall be carried out for the First Period and the Second Period on the basis referred to in paragraph 3.2.4(b) for the purposes of Unidentified Gas Reconciliation (under the New Rules) and Aggregate NDM Reconciliation (under the Old Rules);
- (b) in relation to a System Exit Point which was not Individually-Reconciled:

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<sup>2</sup> This text was originally introduced under Modification 0583 and added as a new paragraph 5.10, but it makes sense to show at the end of paragraph 7.5 so it is positioned with the other transitional rules on Opening Meter Readings.

(i) no determination (or re-determination) of the Reconciliation Values shall be carried out in relation to an Affected Offtake Reconciliation in respect of which the Reconciliation Metered Period ended prior to the Implementation Date;

(ii) in respect of an Affected Offtake Reconciliation which is a Transitional Offtake Reconciliation the determination (or re-determination) of Reconciliation Values shall be carried out in accordance with the New Rules by reference to the Updated Meter read for the Second Period only and on the basis referred to in paragraph 3.2.5.

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7.6.4 Where a Previous Registered User submits a request to the CDSP under Section E6.7.5(b) in relation to an Affected Offtake Reconciliation to which paragraph 7.6.3 applies, the replacement of Reconciliation Values in relation to the part of the Reconciliation Meter Period(s) in respect of which such User was the Registered User of the System Exit Point shall also be in accordance with paragraph 7.6.3.

## 7.7 Class 1 Supply Meters - further provisions

7.7.1 The provisions of the New Rules in Section M6.2 (as to the installation or removal or Transporter Daily Read Equipment) apply in continuity of the provisions of the Old Rules in OR Section M4.1 so far as relating to Transporter Daily Read Equipment, and anything done pursuant to such Old Rules prior to the Implementation Date shall be treated as having been so done for the purposes of the New Rules.

## 7.8 Other provisions

7.8.1 The New Rules in Section M5.15 apply in respect of Daily Read Error Days on and from the Implementation Date..

7.8.2 The Old Rules in OR Section M6 (as to the percentage of Valid Meter Readings to be provided in respect of Supply Meters with User Daily Read Equipment) are effective in respect of Meter Readings for Read Dates until and including the Last Pre-Nexus Day and not later Days.

## 7.9 Estimated Meter Readings

7.9.1 Where on the Implementation Date a Valid Meter Reading has not been submitted for a Supply Meter in the period since 1 April 2011 paragraph 7.9.2 shall apply.

7.9.2 Without prejudice to paragraph 7.9.3, where this paragraph applies the CDSP shall determine an estimated Meter Reading for the Supply Meter for a Read Date of 1 April 2014 in accordance with the New Rules (in Section M5.4.1(b) or 5.4.2) for which purposes:

- (a) the estimate shall be made in respect of the period from the Read Date of the last submitted Valid Meter Reading (prior to 1 April 2011) to 1 April 2014;
- (b) where no such Valid Meter Reading has been submitted the estimated Meter Reading shall be zero.

7.9.3 For the purposes of paragraph 7.9.2, where prior to the Implementation Date a User submitted Meter Readings for the purposes of OR Section G1.6.5, the CDSP may use such Meter Readings for the purposes of determining a more accurate estimate for the purposes of paragraph 7.9.2.

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**8 Section S**

- 8.1 The New Rules under Section S apply in respect of Billing Periods from and including the Billing Period which starts on the Implementation Date.
- 8.2 Accordingly the Old Rules under Section S continue to apply in respect of Billing Periods up to and including the Billing Period which ends on the Last Pre-Nexus Date.

**9 Miscellaneous**

**9.1 Section B**

Where the circumstances in Section B4.7.1 occur in respect of a relevant Supply Point on any Day in the period from (and including) 27 May to (and including) 31 May 2017 the User shall not be liable for any Supply Point Ratchet Charge in respect of the Supply Point and there shall be no automatic increase in the DM Supply Point Capacity.

**9.2 Section V**

9.2.1 The Old Rules (as to the appointment and functions of the RbD Auditor and effect of its report) in OR Sections V9.5, V9.6 and V9.7 shall continue to apply:

- (a) in respect of the period from 1 October 2016 to the Last Pre-Nexus Date;
  - (b) in respect of the period in respect of which Aggregate NDM Reconciliation is carried out pursuant to paragraph 3.4.
- [each of which periods shall be a relevant period for the purposes of those OR Sections].

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IGTAD and TPD

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**10.1 IGTAD Section B**

10.1.1 It is acknowledged that as of the Implementation Date, each DN Operator has:

- (a) established CSEP Connection Arrangements in accordance with the New Rules set out in IGTAD Section B 1.2.1; and
- (b) established a record in respect of each CSEP setting out the information required by the New Rules set out in IGTAD Section B1.3.1.

10.1.2 Pursuant to CDSP IGT Data Migration:

- (a) [the provisions of IGTAD Section B2.2, relating to CSEP Connection Data as at the Implementation Date, are to be satisfied by the end of the Last Pre-Nexus Day; and]
- (b) the provisions of IGTAD Section B2.4.1, relating to registration as at the Implementation Date of IGT Systems, are to be satisfied by the end of the Last Pre-Nexus Day.

**10.2 IGTAD Section D**

10.2.1 Pursuant to CDSP IGT Data Migration, each Independent Gas Transporter is to provide the information (as at the Implementation Date) to the DN Operator as required pursuant to the provisions of IGTAD Section D3.1.

10.2.2 The information (equivalent to that required under IGTAD Section D3.2) provided by each DN Operator to the Independent Gas Transporter as at the Last Pre-Nexus Day pursuant to the CSEP Network Exit Agreement shall take effect as the information required (as at the Implementation Date) to be provided under IGTAD Section D3.2.

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**10.3 IGTAD Section E**

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10.3.1 It is acknowledged that, as of the Implementation Date, for existing NExA Supply Meter Points which would under the New Rules be classified as Class 1 IGTS Supply Meter Points, the Class 1 Meter Reading Requirement has been satisfied as required pursuant to the New Rules in IGTAD Section E2.1.1.

**10.4 IGTAD Section F**

10.4.1 The Association of Independent Gas Transporters will notify to the CDSP the names of the initial representatives of the Independent Gas Transporters, for the IGTAD Committee, no later than 7 Business Days before the Implementation Date.

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10.4.2 Any Transporter or Independent Gas Transporter may convene a meeting of the IGTAD Committee to be held after the date on which the Association of Independent Gas Transporters has given the notification under paragraph 10.4.1 and before the Implementation Date.

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**10.5 TPD Section A**

10.5.1 On and with effect from the Implementation Date, in accordance with the New Rules, CSEP Supply Meter Points shall be classified in accordance with TPD Section A4.5.2(a) and CSEP Supply Points shall be classified in accordance with TPD Sections A4.5.2(b) and (c) and A4.5.3, and such classifications shall be automatic without any requirement for an Independent Gas Transporter to do anything to give effect to such classification.

10.5.2 The Relevant TPD Provisions apply, with effect from the Implementation Date, on a Gas Flow Day basis on the basis of the classification of CSEP Supply Meter Points and CSEP Supply Points set out in paragraph 10.5.1.

**10.5.3 TPD Section G**

10.6 It is acknowledged that as of the Last Pre-Nexus Day, each Transporter has established a CSEP Supply Point Register as required pursuant to TPD Section G1.2.23.

**11 Amendment of CSEP Network Exit Agreements**

11.1 Provision of iGTSPRD

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11.1.1 Unless otherwise agreed between the Independent Gas Transporter (as CSO) and Xoserve, the Independent Gas Transporter shall

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<sup>3</sup> All cross-references to be checked against post-FGO text.

continue to submit updates of the iGTSPRD on the basis of the agreement prevailing following implementation of the Code Modification known as Modification 0467 and which provides for the submission of data by the Independent Gas Transporter

on a daily basis from 24 April 2017 until and including 23 May 2017.

11.1.2 In the event of the transfer of a CSEP prior to 1 June 2017, the Independent Gas Transporter shall notify Xoserve within 2 Business Days of such transfer being effective.

## 11.2 Provision of the iGT Licence Data

11.2.1 The Independent Gas Transporter shall submit to Xoserve any changes to the iGT Licence Data within 2 Business Days of such change.

▪

11.3 Transporters' Framework Agreement and DSC Agreement

11.3.1 Each Transporter and each Independent Gas Transporter shall enter into the amended and restated Transporters Framework Agreement, in the form of such document submitted to the Authority as an attachment to the Final Modification Report for Code Modification 0608, no later than 7 Business Days before the Implementation Date.

11.3.2 Each Independent Gas Transporter shall accede to the DSC Agreement, pursuant to an accession agreement, in the form in the annex to the DSC Agreement as submitted to the Authority as an attachment to the Final Modification Report for Code Modification 0565, no later than 7 Business Days before the Implementation Date.

11.3.3 The procedures for implementing paragraphs 11.4.1 and 11.4.2 will be established by Xoserve pursuant to paragraph 2.5 of the Transitional Arrangements Document and each Transporter and each Independent Gas Transporter must comply with this procedure.

## 12 Termination of the CSEP Network Exit Agreement

12.1.1 Each CSEP Network Exit Agreement is terminated, on a Gas Flow Day basis, with effect from the Implementation Date, subject to the further provisions of this paragraph 12.

12.1.2 Termination of the CSEP Network Exit Agreements shall be without prejudice to the rights, obligations and liabilities of the Parties to the CSEP Network Exit Agreements accrued prior to the Implementation Date. The obligations of each Party which are expressed to survive termination or take effect on termination shall continue in full force and effect notwithstanding termination of such CSEP Network Exit Agreement.

12.1.3 Where, before the Implementation Date, the Independent Gas Transporter has provided, to the relevant DN Operator, information equivalent to information required to be provided to the DN Operator under the New Rules (other than information provided as part of CDSP IGT Data Migration), such information shall be retained by the DN Operator and shall apply as such equivalent information required under the New Rules on and from the Implementation Date.

12.1.4 The Independent Gas Transporter shall remain responsible, on and after the Implementation Date, for carrying out any obligations under the CSEP Network Exit Agreement which relate to Gas Flow Days prior to the Implementation Date.

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For the avoidance of doubt a User may not appeal under OR Section G1.6.13 the Annual Quantity determined (as provided in paragraph 5.3.2) for the Nexus Implementation Date.

A User may not, after 31 July 2016, give a notification of appeal under OR Section G1.6.13(a) or (b) in respect

1.1.1

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## **5.6 Retrospective Adjustments**

5.6.1 The New Rules (as to Retrospective Data Updates and Updated Meter Readings) are effective on and after the Implementation Date, subject to:

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(a) the further provisions of this paragraph 5.6; and

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5.6.2 In the event a User submits:

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is earlier than the Implementation Date, then for the purposes of TPD Section M6.7.4 and M6.8.3 paragraph 5.6.3 shall apply.

5.6.3 Where this paragraph applies:

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(i) for each Affected Offtake Reconciliation, the determination (or re-determination) of the Reconciliation Values shall be carried out by reference to the Updated Data or Updated Meter Reading in accordance with the New Rules and on the basis referred to in paragraph 3.2.4(a);

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(ii) where an Affected Offtake Reconciliation is a Transitional Offtake Reconciliation, the determination (or re-determination) of the Reconciliation Quantity and the Reconciliation Clearing Value shall be carried out for the First Period and the Second Period on the basis referred to in paragraph 3.2.4(b) for the purposes of Unidentified Gas Reconciliation (under the New Rules) and Aggregate NDM Reconciliation (under the Old Rules);

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(b) in relation to a System Exit Point which was not Individually-Reconciled:

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carried out in relation to an Affected Offtake Reconciliation in respect of which the Reconciliation Metered Period ended prior to the Implementation Date;

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(ii) in respect of an Affected Offtake Reconciliation which is a Transitional Offtake Resolution the determination (or re-determination) of Reconciliation Values shall be carried out in accordance with the New Rules by reference to the Updated Data for the Second Period only and on the basis referred to in paragraph 3.2.5.

5.6.4 Where a Previous Registered User submits a request to the Transporter under Section M 6.7.5(b) in relation to an Affected Offtake Reconciliation to which paragraph 5.6.3 applies, the replacement of Reconciliation Values in relation to the part of the Reconciliation Meter Period (in respect of which such User was the Registered User of the System Exit Point) shall also be in accordance with paragraph 5.6.3.

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For the purposes of Section G1.6.17 the Formula Year Annual Quantity of a Supply Point for the Formula Year starting 1 April 2017 shall be the Annual Quantity prevailing for December 2016, irrespective of whether such Annual Quantity applied pursuant to paragraph 5.3.2 or paragraph 5.4.

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9.2.1 For the purposes of this paragraph 9.2 "PwC Implementation Plan" is the plan of that name prepared by PwC relating to the implementation of the Transporter Agency's UK Link replacement programme.

9.2.2 Each Party acknowledges the following system trials (each more particularly described in the PwC Implementation Plan), to support implementation of Modifications 0432, 0434 and 0440, need to be undertaken and completed in accordance with the following timetable:

(a) Solution Readiness:

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(ii) L3 entry readiness criteria to be completed by 31 December 2015;

(b) Level 2 File Structure Trials to be undertaken and completed in the period between 2 November and 18 December 2015;

(c) Level 3 Functional Market Trials:

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July 2016;

(d) Level 4 Multi-Party Market Trials:

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(ii) in respect of the changes needed to support implementation of Modifications 0434, to be undertaken and completed in the period between 2 June and 29 July 2016.

9.2.3 Each Party agrees to use best endeavours in supporting completion of the system trials in accordance with the dates and timetable in paragraph 9.2.2.

9.2.4 The dates and timetable in paragraph 9.2.2 will be subject to on-going review in accordance with the procedures set out in the PwC Implementation Plan, however the dates and timetable in paragraph 9.2.2. may only be changed with the approval of the Authority.

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[Preparing the iGT data



The DN Operator shall procure that Xoserve shall use the iGTSPRD and iGT Licence Data to prepare the required iGT data in readiness for the implementation of the Relevant Modifications. The DN Operator shall procure that Xoserve shall provide to the CSEP Users on a monthly basis (or more frequently if required) portfolio reports of the iGT data.]