

## MODIFICATION 0585

### SEPARATION OF NTS AND NATIONAL GRID OWNED NETWORKS – CALCULATION OF CODE CREDIT LIMIT AND VALUE AT RISK

Proposed legal text

#### TRANSITION DOCUMENT, PART IIB <sup>1</sup>

*Add new paragraphs 12.2 and 12.3 to read as follows:*

12.2 Subject to paragraph 12.3, for the purposes of giving effect to the provision of TPD Section V3 of the New Transporters Network Code on the First Day and each later Day in the calendar month in which the First Day falls ("**relevant day**"), a User's Value at Risk for a relevant day shall be determined as:

- (a) the aggregate of the amounts invoiced under:
    - (i) an LDZ Capacity Invoice;
    - (ii) a Commodity Invoice in respect of:
      - (1) LDZ Commodity Charges;
      - (2) Customer Charges;
      - (3) Supply Point Ratchet Charges – LDZ Capacity Charges;
    - (iii) a Reconciliation Invoice in respect of:
      - (1) Reconciliation Transportation Adjustment Charges in respect of LDZ Commodity Charges and the Commodity Variable Component of Customer Charges (including charges in respect of a CSEP);
      - (2) User Aggregate Transportation Charge Adjustments in respect of LDZ Commodity Charges and the Commodity Variable Component of Customer Charges (including charges in respect of a CSEP); and
    - (iv) a Small Value Invoice in respect of charges referred to in paragraphs (i), (ii) or (iii).
- submitted by National Grid to the User in the period from 1 October to (and including) 19 October 2015; plus
- (b) the average daily rate of the aggregate amount of the charges referred to in paragraph (a) invoiced to the User by National Grid in September 2015, multiplied by twenty (20).

---

<sup>1</sup> Based on text to be introduced to TB Part IIB (to replace all existing text in that Part) under Modification 0582S

12.3 Where a User was not a User on:

- (a) 30 September 2015, the User's Value at Risk for a relevant day shall be the User's highest Value at Risk determined pursuant to National Grid's Network Code and by reference only to the charges referred in paragraph 12.2(a) on any day in the period up to (and including) 31 August 2016;
- (b) 31 August 2016, the amount of the forecast Value at Risk provided by the User to National Grid to allow National Grid to assign the User an initial Code Credit Limit for the purposes of TPD Section V2.1.2(g) determined by reference to the forecast charges referred to in paragraph 12.2(a).