















# 0541A:

Ex-ante removal of uncontrollable UNC charges at ASEP's which include sub-terminals operating on a 06.00 to 06.00 Gas Day.

01	Modification
02	Workgroup Report
03	Draft Modification Report
04	Final Modification Report

Removal of uncontrollable UNC charges incurred by shippers allocated 0500 to 0500 Gas Day User Daily Quantity Inputs at ASEP's which include sub-terminals operating on a 0600 to 0600 Gas Day. This is achieved by setting those charges, which arise solely as result of the different Gas Day timings to zero.

	The Proposer recommends that this modification should be: <ul style="list-style-type: none"> <li>assessed by a Workgroup</li> </ul>
	High Impact: Shippers
	Medium Impact: None
	Low Impact: None

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This modification was originally presented by the proposer to the panel on 16 July 2015 as Modification 0542. Following the Panel's consideration Modification 0542 was withdrawn and renumbered to Modification 0541A.		Systems Provider: <b>Xoserve</b>
The Proposer recommends the following timetable:		 <a href="mailto:commercial.enquiries@xoserve.com">commercial.enquiries@xoserve.com</a>
Initial consideration by Workgroup	06 August 2015	Additional contacts: <b>Nick Wye</b>
Amended Modification published	29 February 2016	 <a href="mailto:nick@waterswy.e.co.uk">nick@waterswy.e.co.uk</a>
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Final Modification Report published for Panel	08 April 2016	
UNC Modification Panel recommendation	21 April 2016	

# 1 Summary

## Is this a Self-Governance Modification?

The proposer does not consider that Self-Governance procedures apply to this modification, as it may have a material effect on competition in the shipping of gas, since the modification attempts to ensure that UNC charges are not unfairly applied to certain Users.

## Is this a Fast Track Self-Governance Modification?

No, Fast-Track procedures do not apply because this is not a housekeeping modification.

## Why Change?

The European Network Code on Capacity Allocation Mechanisms (“CAM”) stipulates that there should be a harmonised gas Day across the EU. CAM was implemented on 01 November 2015. The European Network Code on Gas Balancing (“BAL”) makes reference to the gas Day as defined in the CAM Network Code. BAL was implemented on 01 October 2015. Both the CAM and BAL Network Codes form part of Regulation (EC) No 715/2009 of the European Parliament dated 13 July 2009 (the “Regulation”). However the Regulation only applies the harmonised gas Day to Interconnection Points and downstream systems within the EU. It does not apply to arrangements “upstream” of the transmission systems (within which the Balancing zones are situated) such as the UK gas beach processing terminals.

The National Transmission System will run a United Kingdom time 0500 hours to 0500 hours gas Day from 01 October 2015. However the majority of United Kingdom gas beach processing sub terminals will continue to run on a United Kingdom time 0600 hours to 0600 hours gas Day on and after 01 October 2015 (the “GMT Terminals”). This is due to the technical challenges and costs that would be incurred in changing all terminal and upstream metering to run on a 0500 hours to 0500 hours gas Day.

Users inputting gas to the NTS from GMT Terminals will only have Day ahead and within Day information about their intended and actual flows on a 0600 hours to 0600 hours basis and will accordingly have to schedule and nominate to National Grid NTS and make “Claims” to the Claims Validation Agent based on 0600 hours to 0600 hours numbers.

National Grid NTS will give the Claims Validation Agent a 0500 hours to 0500 hours metered Entry Point Daily Quantity Delivered for each System Entry Point at a GMT Terminal and the Claims Validation Agent will allocate that quantity between Users based on 0600 hours to 0600 hours Claim numbers. There will therefore likely be on all Days mismatches arising from the differences between the 0500 hours to 0600 hours aggregate quantity on one Day and the 0500 hours to 0600 hours quantity on the next Day (“Time Shift Mismatches”).

Without this Modification Users at GMT Terminals would likely incur on every Day NTS Daily Imbalance Charges and Scheduling Charges and potentially Overrun Charges and Incentivised Nomination Charges as a result of the Time Shift Mismatches since they would be out of balance every Day (long or short) depending on whether the Entry Point Daily Quantity Delivered is greater or smaller than the aggregate of all Users’ Claim numbers (“Time Shift Charges”).

Time Shift Charges would be unearned and not capable of mitigation by Users and would not arise from the physical needs of the NTS nor the Users failure to balance. Monies raised from Time Shift Charges would be returned to all Users via the neutrality charge systems. Time Shift Charges would therefore not be in compliance with the principles set out in Regulation that balancing rules should: (i) financially incentivise network users to balance their balancing portfolios via cost reflective imbalance charges; (ii) reflect genuine system needs; (iii) be non discriminatory; and (iv) avoid cross subsidisation.

## Solution

Setting the Time Shift Charges to zero by calculating charges using GMT UDQIs at GMT Terminals.

This would prevent Users incurring unearned charges, restore the correct financial incentives to balance and avoid discrimination of Users at GMT Terminals and cross subsidisation by Users at GMT Terminals of all other Users.

## Relevant Objectives

The modification better facilitates the achievement of Relevant Objectives d(i) and g.

The proposal ensures that those UNC charges which would be levied on Users at GMT Terminals as a result of mismatches arising from the differences between the 0500 hours to 0600 hours aggregate quantity on one Day and the 0500 hours to 0600 hours quantity on the next Day are not applied. Users have no control over the “Time Shift Mismatches” and are unable to take any mitigating actions to address them. The imposition of UNC charges which result from the Time Shift Mismatches means that affected Users would face unwarranted costs which are redistributed to all Users via neutrality charges, for example. In combination, these outcomes create inefficiencies in terms of cost allocation and undermine competition.

The proposal better facilitates compliance with Regulation (EC) No 715/2009 following the required change to the gas Day. In short, the proposal ensures that charges are such that they (i) financially incentivise network users to balance their balancing portfolios via cost reflective imbalance charges; (ii) reflect genuine system needs; (iii) are non discriminatory; and (iv) avoid cross subsidisation.

## Implementation

No implementation timescales are proposed, however it is anticipated that this modification should be implemented as soon as possible after the 01 October 2015, the date on which the gas Day changed to 0500 hours to 0500 hours.

## Does this modification impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

This modification is likely to impact Systems Changes for EU Reform due to the need to acquire additional 0600 hours to 0600 hours “GMT UDQI” data and their subsequent application to UNC charges.

## 2 Why Change?

### The Issue

The European Network Code on Capacity Allocation Mechanisms (“CAM”) stipulates that there should be a harmonised gas Day across the EU. CAM was implemented on 01 November 2015. The European Network Code on Gas Balancing (“BAL”) makes reference to the gas Day as defined in the CAM Network Code. BAL was implemented on 01 October 2015. Both the CAM and BAL Network Codes form part of Regulation (EC) No 715/2009 of the European Parliament dated 13 July 2009 (the “Regulation”). However the Regulation only applies the harmonised gas Day to Interconnection Points and downstream systems within the EU. It does not apply to arrangements “upstream” of the transmission systems (within which the Balancing zones are situated) such as the UK gas beach processing terminals. The National Transmission System has run a United Kingdom time 0500 hours to 0500 hours gas Day from 01 October 2015. However the majority of United Kingdom gas beach processing sub terminals continue to run on a United Kingdom time 0600 hours to 0600 hours gas Day on and after 01 October 2015 (the “GMT Terminals”). This is due to the technical challenges and costs that would be incurred in changing all terminal and upstream metering to run on a 0500 hours to 0500 hours gas Day.

There will be no arrangements (for example linepack flexibility or operational balancing type arrangements) between National Grid NTS and the GMT Terminals to handle mismatches arising from the NTS running on a 0500 hours to 0500 hours gas Day and the GMT Terminals running on a 0600 hours to 0600 hours gas Day.

#### Impact on Users at GMT Terminals

Users inputting gas to the NTS from GMT Terminals will only have Day ahead and within Day information about their intended and actual flows on a 0600 hours to 0600 hours basis and will accordingly have to schedule and nominate to National Grid NTS and make "Claims" to the Claims Validation Agent based on 0600 hours to 0600 hours numbers.

National Grid NTS will give the Claims Validation Agent a 0500 hours to 0500 hours metered Entry Point Daily Quantity Delivered for each System Entry Point at a GMT Terminal and the Claims Validation Agent will need to allocate that quantity between Users based on 0600 hours to 0600 hours Claim numbers. There will therefore likely be on all Days mismatches arising from the differences between the 0500 hours to 0600 hours aggregate quantity on one Day and the 0500 hours to 0600 hours quantity on the next Day ("Time Shift Mismatches").

The effect of such Time Shift Mismatches on the existing Claims Validation arrangements will be that: (1) if the Entry Point Daily Quantity Delivered is less than the aggregate of all Users' Claims, all Users' Claim numbers and therefore their User Daily Quantity Input quantities will be reduced pro rata; and (2) if the Entry Point Daily Quantity Delivered is greater than the aggregate of all Users' Claim numbers, the resulting "Time Shift Excess Gas" will be lost to the NTS as unallocated gas. Depending on the overall NTS balance, such Time Shift Excess Gas may be sold by National Grid and the proceeds returned to all Users via the balancing neutrality system rather than just to Users using the GMT Terminals.

In order to prevent the loss of Time Shift Excess Gas on a regular basis as a result Time Shift Mismatches, the shareholders of the Claims Validation Agent are in the process of amending the Claims Validation arrangements so that Time Shift Excess Gas will be allocated to Users at the GMT Terminals rather than be treated as unallocated gas. This will have the effect of increasing each such User's Claim number and therefore their User Daily Quantity Input quantities. These changes will also enable the Claims Validation Agent to provide National Grid NTS with each User's UDQI on a 0500 hour to 0500 hours basis and on 0600 hours to 0600 hours basis if required.

Even following such intervention, without this Modification Users at GMT Terminals will likely incur on every Day NTS Daily Imbalance Charges and Scheduling Charges and potentially Overrun Charges and Incentivised Nomination Charges as a result of the Time Shift Mismatches since they will be out of balance every Day (long or short) depending on whether the Entry Point Daily Quantity Delivered is greater or smaller than the aggregate of all Users' Claim numbers ("Time Shift Charges").

The Users will be unable to manage or mitigate the Time Shift Charges as they are a factor simply of the difference between the 0500 hours to 0600 hours aggregate quantity on one Day and the 0500 hours to 0600 hours quantity on the next Day. The Time Shift Mismatches will have no effect on the overall physical balance of the NTS. Users will only become aware of their Time Shift Mismatches after the Day.

Time Shift Charges will be unearned and not capable of mitigation by Users and will not arise from the physical needs of the NTS nor the Users failure to balance. Monies raised from Time Shift Charges will be returned to all Users via the neutrality charge systems. Time Shift Charges will therefore not be in compliance with the principles set out in Regulation that balancing rules should: (i) financially incentivise network users to balance their balancing portfolios via cost reflective imbalance charges; (ii) reflect genuine system needs; (iii) be non discriminatory; and (iv) avoid cross subsidisation.

Put simply, under the existing arrangements GMT shippers incur network charges, in the form of balancing, scheduling and capacity overruns. The continued imposition of these charges is unwarranted, anti-

competitive and damaging to shipper businesses operating at the GMT Terminals. Not only do the costs undermine commercial arrangements but their unpredictable nature increases the risk of transacting at the GMT Terminals.

These charges are a result of the enforced conversion of offshore 06.00 to 06.00 allocations to downstream 05.00 to 05.00 allocations combined with the offshore participants and/or National Grid unwillingness to put in place mitigation arrangements. As such the network charges can be categorised as 'phantom costs'; generated purely by an accounting process. There are no system or operational costs caused by the conversion of the upstream allocations and as such all Time shift charges are spurious.

These shippers are victims of the inability of a) the offshore industry to convert to a 05.00 to 05.00 Gas Day, due to the complexities and costs that this would entail and b) National Grid to introduce centrally coordinated services, which would manage the Time shift impacts.

The modification proposal ensures that Time Shift charges, which otherwise would have applied, are removed from the determination of capacity and balancing neutrality charges. Unlike modification proposal 541B, under this modification proposal the relevant, initial neutrality charge invoices are corrected to incorporate Time Shift charges, whereas in 541B an ex-post adjustment is made to the neutrality invoices after the Time Shift charges have been levied via the initial neutrality charges invoices. Overall this puts GMT shippers on an equal footing with others, ensuring that contracts entered into at the GMT Terminals are respected and undue commercial risks are eliminated.

### 3 Solution

Setting the Time Shift Charges to zero by calculating charges using GMT UDQIs at GMT Terminals.

This would prevent Users incurring unearned charges, restore the correct financial incentives to balance and avoid discrimination of Users at GMT Terminals and cross subsidisation by Users at GMT Terminals of all other Users. For the avoidance of doubt, Uniform Network Code charges will continue to be applied for User imbalances arising from physical imbalances and as such the Users allocated gas at GMT Terminals will not benefit from any positive discrimination.

The Claims Validation Agent will be able to provide National Grid NTS for each User at a System Point at a GMT Terminal (a "GMT System Entry Point") for each Day with a UDQI calculated from National Grid's Entry Point Daily Quantity Delivered (0500 hours to 0500 hours basis) and with a "GMT UDQI" calculated from the User's Claim on an 0600 hours to 0600 hours basis for the "GMT Day" starting on the Day.

#### BUSINESS RULES

##### **Balancing Neutrality Charge Amendment (including Scheduling Charges)**

1. Month + 15 Business Days – Entry Close-out Date for Users to provide their entry allocations to National Grid NTS for the preceding month M (UNC TPD E1.8.1).
2. Each User at the relevant sub-terminals will provide a '**pseudo**' **Entry Allocation Statement** (i.e. for a 06:00 to 06:00 period) to National Grid NTS at that System Entry Point (this supplements, and is additional to, the User's obligation to provide the **Entry Allocation Statement** (i.e. for a 05:00 to 05:00 Gas Day) at that System Entry point as per UNC TPD E2.1.2). Data requirements for the 'pseudo' Entry Allocation Statements will mirror those in place for the Entry Allocation Statement. The deadline for submission of 'pseudo' Entry Allocation Statements' is the Entry Close-out Date (i.e. M+15). In validating such 'pseudo' Entry Allocation Statements:

- a. the sum of such 'pseudo' Entry Allocation Statements must be equal to a '**pseudo' Entry Point Daily Quantity Delivered** (i.e. for a 06:00 to 06:00 period) akin to UNC TPD E2.1.7(b). This information is provided to National Grid NTS by the file sent via the CVA. The 'pseudo' Entry Point Daily Quantity Delivered can be derived from this information; and
  - b. if the sum of the aforementioned values are not equal to the 'pseudo' Entry Point Daily Quantity Delivered, then the '**pseudo' Entry Allocation Volume** (i.e. for a 06:00 to 06:00 period) for each relevant User at the System Entry Point will be adjusted by National Grid NTS in proportion to the Nominated Quantities under their respective Input Nominations for that System Entry Point akin to UNC TPD E2.1.8.
3. Month + 19 Business Days – Time Shift Balancing Neutrality Charges are calculated.
  4. Month + 23 Business Days – Energy Balancing Invoice is issued to Users.
  5. Month + ~~19~~ 23 Business Days – the User's 'pseudo' Entry Allocation Volume at the relevant System Entry Point is compared to the User's **Entry Allocation Volume** (i.e. for a 05:00 to 05:00 period) at the relevant System Entry Point to calculate (as per the following paragraph) the value of the Neutrality Charge Amendment Volume.
  6. The User's Imbalance Charge Amendment Volume for each day is calculated as follows:
 

**System Entry Point Time Shift Volume** = Entry Allocation Volume – 'pseudo' Entry Allocation Volume

**Standard Imbalance Volume** = UDQI (i.e. 05:00 to 05:00) – UDQO (i.e. 05:00 to 05:00)

**Imbalance Charge Amendment Volume** = Standard Imbalance Volume – (the sum of System Entry Point Time Shift Volumes for the relevant System Entry Points)
  7. The Imbalance Charge Amendment Volume for month M, is reflected in the Balancing Neutrality Charges included in the Month + 23 Business Days invoice for all Users subject to Balancing Neutrality.
  8. Scheduling Charges are subject to the same Invoice timetable as Balancing Neutrality, the calculation for the Scheduling Charge Amendment Volume for each User at a System Entry Point on a Gas Day is as follows:
 

**Time Shift Scheduling Volume** = Gas Flow nominations (entry) at the relevant System Entry Point – (System Entry Point Time Shift Volume + Entry Allocation Volume)

**Standard Scheduling Charge Volume** = Gas Flow nominations (entry) at the relevant System Entry Point – Entry Allocation Volume

**Scheduling Charge Amendment Volume** = Standard Scheduling Charge Volume – Time Shift Scheduling Volume
  9. The Scheduling Charge Amendment Volume for month M, is reflected in the Balancing Neutrality Charges included in the Month + 23 Business Days invoice for all Users subject to Balancing Neutrality.
- Capacity Neutrality Overrun Charge Amendment**
10. Month + 4 Business Days - NTS Entry Capacity and NTS Capacity Neutrality Invoices are issued.
  11. Month +1 + 4 Business Days - NTS Entry Capacity Invoices issued to include any Overrun charges from month M.

12. Month + 1 + 4 Business Days – the User’s ‘pseudo’ Entry Allocation at any relevant System Entry Point (within an Aggregate System Entry Point (ASEP)) is compared to the User’s Entry Allocation. Overrun exposure is determined in accordance with the following calculation to determine the value of the Time Shift Amended Overrun Volume to amend the relevant NTS Entry Capacity Invoice via a Capacity Neutrality Charge Invoice.

13. NTS Entry Capacity Overrun Charge Amendment Volume at an ASEP for a Gas Day is calculated as follows:

**Time Shift Overrun Volume** = User Capacity Entitlement at the ASEP – ((sum of the User’s Entry Allocations at all System Entry Points within the ASEP) + (sum of any System Entry Point Time Shift Volumes at System Entry Points within the ASEP))

**Standard Overrun Volume** = User Capacity Entitlement at the ASEP – (sum of Entry Allocations for all System Entry Points at the ASEP)

**Overrun Charge Amendment Volume** = Standard Overrun Volume – Time Shift Overrun Volume

14. The Overrun Charge Amendment Volume for month M, is reflected in the Capacity Neutrality Charges included in the Month + 1 + 4 Business Days invoice for all Users subject to Capacity Neutrality.

#### **Incentivised Nomination Charge Amendment**

15. Month + 19 Business Days - Balancing Neutrality Charges are calculated.

16. Month + 23 Business Days - Energy Balancing Invoice is issued to Users.

17. [Month + 23 Business Days](#) - The User’s ‘pseudo’ Entry Allocations at any relevant System Entry Point is compared to the User’s equivalent Entry Allocations. Incentivised Nomination Charge exposure is determined in accordance with the following calculation to determine the value of the INS Charge Amendment Volume for the relevant invoice issued at Month + 23 Business Days

18. INS Charge Amendment Volume is calculated as follows:

**Time Shift INS Performance Measure** = absolute (Forecast Daily Imbalance – (Daily Imbalance + (sum of any System Entry Point Time Shift Volumes))

**Standard INS Performance Measure** = absolute (Forecast Daily Imbalance – Daily Imbalance) [as per UNC TPD 5.3.8(a)]

**INS Charge Amendment Volume** = Standard INS Performance Measure - Time Shift INS Performance Measure

19. The INS Charge Amendment Volume for month M, is reflected in the Balancing Neutrality Charges included in the Month + 23 Business Days invoice for all Users subject to Balancing Neutrality.

#### **Capacity Neutrality and Balancing Neutrality**

20. As per existing processes, Capacity Neutrality and Balancing Neutrality charge amendments will be socialised via the Neutrality mechanisms to all Users, including those at 06:00 to 06:00 sub-terminals (System Entry Points):

a. for Balancing Neutrality, on the basis of User throughput (sum of UDQI and UDQO – both based upon 05:00 to 05:00 Entry and Exit Allocations respectively); and

b. for Capacity Neutrality, on the basis of ‘end of day’ firm capacity entitlements.

#### **Retrospective Adjustment**



21. Following the date of implementation of the Modification (i.e. Transporter system changes implemented), Users at 06:00 to 06:00 sub-terminals will provide their daily 'pseudo' Entry Allocation Statements for the *retrospective period* (back to and including 1<sup>st</sup> October 2015) to National Grid NTS within 30 days. The validation specified in rule [4a-2a](#) and [4b-2b](#) will be applied to such values.
22. In order for the adjustments to be processed at a sub-terminal, all Users at the relevant sub-terminal must submit 'pseudo' Entry Allocation Statements for the retrospective period.
23. Capacity Neutrality and Balancing Neutrality amendments (as described in business rules 1 to 20) in respect of the retrospective period will be reflected in revised Balancing Neutrality and Capacity Neutrality charges (in the form of invoice adjustments) ~~within [3] months~~ [by end of Month + 3](#) of expiry of the notice period in rule 21.

### Reconciliation

As this modification will not be in force for 01 October 2015, National Grid NTS will run a reconciliation process from the date of implementation of the modification back to 01 October 2015 to reimburse Users for Time Shift Charges incurred by the Users in the period from 01 October 2015.

User Pays	
Classification of the modification as User Pays, or not, and the justification for such classification.	No User Pays service would be created or amended by implementation of this modification and it is not, therefore, classified as a User Pays Modification.
Identification of Users of the service, the proposed split of the recovery between Gas Transporters and Users for User Pays costs and the justification for such view.	N/A
Proposed charge(s) for application of User Pays charges to Shippers.	N/A
Proposed charge for inclusion in the Agency Charging Statement (ACS) – to be completed upon receipt of a cost estimate from Xoserve.	N/A

## 4 Relevant Objectives

Impact of the modification on the Relevant Objectives:	
Relevant Objective	Identified impact
a) Efficient and economic operation of the pipe-line system.	None
b) Coordinated, efficient and economic operation of (i) the combined pipe-line system, and/ or (ii) the pipe-line system of one or more other relevant gas transporters.	None
c) Efficient discharge of the licensee's obligations.	None
d) Securing of effective competition: (i) between relevant shippers; (ii) between relevant suppliers; and/or (iii) between DN operators (who have entered into transportation arrangements with other relevant gas transporters) and relevant shippers.	Positive
e) Provision of reasonable economic incentives for relevant suppliers to secure that the domestic customer supply security standards... are satisfied as respects the availability of gas to their domestic customers.	None
f) Promotion of efficiency in the implementation and administration of the Code.	None
g) Compliance with the Regulation and any relevant legally binding decisions of the European Commission and/or the Agency for the Co-operation of Energy Regulators.	Positive

The proposal ensures that those UNC charges, which would be levied on Users as a result of mismatches arising from the differences between the 0500 hours to 0600 hours aggregate quantity on one Day and the 0500 hours to 0600 hours quantity on the next Day are not applied. Users have no control over the "Time Shift Mismatches" and are unable to take any mitigating actions to address them. The imposition of UNC charges which result from the Time Shift Mismatches means that affected Users face unwarranted costs which are redistributed to Users via neutrality charges. In combination, these outcomes create inefficiencies in terms of cost allocation and undermine competition.

. The Regulation stipulates a number of basic principles, which should be adhered to in relation to the implementation of a daily balancing regime. These principles include:

- **Non-discriminatory** rules for access conditions to natural gas transmission systems.
- Balancing Rules to reflect **genuine system needs** taking into account the resources available to the transmission system operator.
- Imbalance charges shall be **cost-reflective** whilst providing **appropriate financial incentives on network users to balance their input and off-take of gas**.
- Imbalance charges to **avoid cross-subsidisation** between network users and shall not hamper the entry of new market entrants.
- **Shippers to have primary responsibility to balance their balancing portfolios** in order to minimise the need for transmission system operators to undertake balancing actions.

The levying of UNC charges on “Time Shift Mismatches” would be inconsistent with these principles and therefore would not be compliant with the Regulation. This modification will ensure that the balancing rules in the Uniform Network Code and more specifically those charges which are applied to Users at GMT Terminals are compliant with the Regulation

## 5 Implementation

There are likely to be some costs associated with the central systems fix to implement this modification. The costs will arise from the need to obtain the “GMT UDQI” data and the subsequent changes to UNC charges.

No implementation timescales are proposed, however as the UNC gas Day will change to 0500 hours to 0500 hours on 01 October 2015, implementation of this modification should be as soon as possible after this date. Reconciliation of the relevant charges will be applied as set out in the business rules in section 3 above to ensure Users are relieved of any Time Shift Charges incurred during the period between 01 October and the implementation date.

## 6 Impacts

### Does this modification impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

This proposal is likely to impact Systems Changes for EU Reform due to the need to acquire additional “GMT UDQI” data and the subsequent changes to UNC charges.

### Post EU Systems change Phase 3 Implementation

Phase 3 of the EU Systems Change is in progress and it is not feasible for the systems changes required to implement this modification to be added to the programme. Implementation should occur as soon as possible after the implementation of Phase 3

The benefits of making the change relate to the inefficiencies and detrimental impacts on competition of the Time Shift Mismatches, which will occur at GMT Terminals.

## 7 Legal Text

~~Transporters are requested to provide legal text.~~ [Text has been prepared by National Grid NTS as a separate document published alongside the modification.](#)

## 8 Recommendation

The Proposer invites the Panel to:

- Determine that this modification should not be subject to self-governance;
- Progress to Workgroup assessment; and
- To consider requesting legal text so that the workgroup can complete its assessment to meet the challenging timescales.