

PROJECT NEXUS - MODIFICATION 0440 - CORE LEGAL DRAFTING - EXPLANATORY TABLE

INDEPENDENT GAS TRANSPORTERS ARRANGEMENTS DOCUMENT

Notes

1. The table is based on the legal drafting for Modification 0440 submitted by NGD to the Joint Office.
2. The BRDs do not identify what drafting changes are required (it is not the purpose of the BRDs to do this). However once a drafting approach is developed and agreed on it becomes necessary to make consequential amendments so the wider UNC reflects the new rules and remains consistent. Therefore in some cases the explanation can be no more than to say the change is a consequential amendment, and in most cases the rationale is self explanatory. In this respect the requirement to reflect consequential changes is no different than for any other modification.
3. The IGTAD is the document which sets out the rules governing the relationship between Transporters and Independent Gas Transporters. It has its origins in the CSEP NExA, and also to some extent follows the content of the OAD. In addition, where Section J requires certain details for an Exit Point, the IGTAD captures how this information will be provided for an Unmetered Connected System Exit Point.

IGTAD	Topic	BRDs	Explanation
IGTAD SECTION A			
A Scope and classification		Not included in the BRD	IGTAD A is a general section which covers the scope of the IGTAD and System Classification which applies to Unmetered Connected System Exit Points and IGT Systems.
A1.1 to 1.6	Introduction	Not included in the	These provisions outline the content and scope of the IGTAD, as applying to Unmetered Connected System Exit Points, and the IGT Systems either directly-connected or indirectly-connected to an

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		BRD	LDZ at an Unmetered Connected System Exit Point. These provisions also set out the nature of the relationship between DN Operators and Independent Gas Transporters.
A1.7	Agency Company	Not included in the BRD	A1.7 records that the Agency Company (being Xoserve for the time being) will provide certain services to Independent Gas Transporters, some of which will be the same as those provided to Transporters. It also records that each Independent Gas Transporter will enter a services agreement with the Agency Company.
A2	System Classification and other definitions	Not included in the BRD	These provisions introduce important definitions in respect of System Classification, including: - IGT System - distinguishing between a directly-connected IGT System connected to a DNO at an Unmetered CSEP, and an indirectly-connected IGT System, which is downstream of a directly-connected IGT System. - IGTS Supply Points and IGTS Supply Meter Points. Paragraph 2.1.2 explains the classification of IGTS Supply Meter Points and IGTS Supply Points using the same classifications. The effect of the IGT having to adopt the same classification as the DN Operator is that the IGTS Supply Point and IGTS Supply Meter Point has the same classification as the deemed Supply Point and Supply Meter Point at the CSEP.
A3	Gas flows at CSEPs	Not included in the BRD	This paragraph sets out various high level principles around CSEPs. For example these have the effect of: - enforcing the registration requirements in IGTAD Section B. - addressing the principle that responsibility for gas flows is with shippers and not the Independent Gas Transporters or the Transporters - IGTs are not entitled to offtake gas from the DNO System, except in accordance with commissioning arrangements in IGTAD B. - identifying the point of offtake at each Individual System Exit Point in a CSEP.

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			- sets out the principles of liability and limitations between IGTs and DN Operators.
A4	Emergencies	Not included in the BRD	This provision ensures that the requirements of TPD Section Q in respect of emergencies are implemented for CSEPs.
IGTAD SECTION B			
B IGT Systems - connection and operational arrangements		Not included in the BRD	<p>This Section sets out the rules and processes for the connection of directly-connected and indirectly-connected IGT Systems to a DN Operator's System at an unmetered CSEP. (Note in IGTAD the term System is used to refer to both DN Operators' and IGTs' systems.)</p> <p>This Section also sets out the requirements for registrations and for physical and other data to be submitted by the Independent Gas Transporter to the DN Operator prior to connection, and requirements to update such data.</p>
B1.1	Introduction	Not included in the BRD	<p>These provisions are generally about connection and registration arrangements at CSEPs. These provisions introduce important terms in the context (for more detail see below).</p> <p>In addition, this paragraph clarifies that the Aggregate IGT System means, if there is more than one IGT System at a CSEP, all of those IGT Systems (introducing the concept of 'nested' IGT Systems).</p>
B1.2	CSEP Connection Arrangements	Not included in the BRD	<p>This paragraph introduces the concept that an individual DN Operator will have its own rules and arrangements for the connection of an IGT System to a DNO System at an unmetered Connected System Exit Point (the CSEP Connection Arrangements). These arrangements are set out in separate documents and do not form part of the Code.</p> <p>These arrangements give rise to various data items that are used in the IGTAD, therefore paragraph 1.2.3 specifies the data items which need to be covered in the CSEP Connection Arrangements, which include:</p> <ul style="list-style-type: none"> - initial and updated CSEP Connection Data (see below) - requirements as to the facilities to be installed by either Party at a CSEP - basis for determining the annual quantity for a premises not within the AQ Calculation Table at Annex B-1 - identification of the point of offtake for TPD J3.2.1

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			- arrangements for commissioning
B1.3	CSEP Registration	Not included in the BRD	<p>This provision introduces the concept that the DN Operator will maintain and update a record of information in respect of each CSEP (the CSEP Register), including the following types of information:</p> <ul style="list-style-type: none"> - identify and location - Connection Facilities - the point of offtake - identity of any downstream IGT Systems - information relation to pressure/ maintenance <p>This information would previously have been included in the schedule to an individual CSEP NExA.</p>
B1.4	Responsibility of directly-connected Independent Gas Transporter	Not included in the BRD	<p>This encapsulates the principle that it is the directly-connected Independent Gas Transporter which is responsible for complying with most of the provisions of Section B. An indirectly-connected Independent Gas Transporter will only be responsible for complying to the extent expressly made binding on them.</p>
B1.5	AIGTS AQ	Not included in the BRD	<p>This provision details how the AIGTS AQ is determined. (AIGTS AQ is a new term corresponding to 'Maximum AQ' under the CSEP NExA).</p>
B1.6	Miscellaneous	Not included in the BRD	<p>This paragraph contains miscellaneous provisions around certain Connection Facilities at the CSEP; including that DN Operators and Independent Gas Transporters do not give any warranties to the other in respect of its own Connection Facilities.</p>
B2.1	Right to be connected and permit offtake	Not included in the BRD	<p>Paragraph 2 contains the Independent Gas Transporters' right to be and remain connected to a DN Operator's System at an Unmetered CSEP, provided it complies with the requirements in Section B.</p> <p>This also includes restrictions on gas flows until connection and commissioning have taken place.</p>
B2.2	CSEP Connection Requirements	Not included in the BRD	<p>The directly-connected Independent Gas Transporter must submit to the DN Operator the CSEP Connection Data before it can connect to the DN Operator's System. The CSEP Connection Data includes the following:</p>

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			<ul style="list-style-type: none"> - the maximum number of premises expected to be connected - the AIGTS AQ - the Maximum CSEP Offtake Rate <p>The directly-connected Independent Gas Transporter is responsible for providing this information and updating it on each change of load.</p> <p>Paragraph 2.3 requires the directly-connected Independent Gas Transporter to keep the information under review.</p>
B2.4	IGT System Registration	Not included in the BRD	In addition to provision of the physical data, each directly-connected or indirectly-connected Independent Gas Transporter must register the IGT System with the DN Operator and must submit information such as the identity of the Independent Gas Transporter, an identifier for the IGT System, and the identity of the relevant CSEP.
B3	Operational Requirements	Not included in the BRD	This paragraph sets out requirements of an operational nature, including rules relating to the modification of facilities, inspection, maintenance on any part of a System, co-operation and exchange of powers to manage emergencies and network validation.
B4	Certain provisions applicable for the purposes of the TPD	Not included in the BRD	This paragraph provides a link between the parameters established in the CSEP NExA and the rules contained in Section J in respect of pressures, maintenance and maximum CSEP Offtake Rate, for unmetered CSEPs.
Annex B-1	AQ Calculation Table	Not included in the BRD	The table is the most recent table included in the NExA and is to be used in the IGTAD for the purposes of deriving Maximum Aqs for new CSEPs.
IGTAD SECTION C			
C IGTS Shrinkage	IGTS Shrinkage	Not included in the BRD	This Section records that there are currently no requirements for the identification or allocation of shrinkage in an IGTS System.
IGTAD SECTION D			
D - IGT Code Rules and			This Section sets out the rules which enable the operation of the gas allocation and settlement rules

IGTAD	Topic	BRDs	Explanation
data exchange			in the TPD in the absence of a meter at Unmetered CSEPs.
D1	General	Not included in the BRD	This paragraph sets out the purpose of the requirements in Section D, which apply to ensure that the relevant TPD provisions are capable of operating in respect of CSEP Supply Meter Points, when references in the TPD to Supply Points and Supply Meter Points are extended to include the deemed Supply Point and deemed Supply Meter Points at the CSEP.
D2.1.1	IGT provisions to follow the Code	Not included in the BRD	This paragraph requires Independent Gas Transporters to replicate in the IGT Code, TPD rules including as respects: <ul style="list-style-type: none"> - maintenance of a Supply Point Register - identification of an IGTS User responsible for each IGTS Supply Meter Point - classification rules - allocation of IGTS Supply Meter Points to End User Categories - the requirements of obtaining Meter Readings from IGTS Supply Meters and other requirements relating to the installation, operation and maintenance of Supply Meter Installations.
D2.1.2	IGT Provisions to follow the Code	Not included in the BRD	This paragraph recognises that certain rules as respects supply point administration and metering will be different in the IGT Code from those in the TPD.
D2.1.3	IGT Provisions to follow the Code	Not included in the BRD	This paragraph provides a mechanism for settling any differences between parties as to which provisions of the TPD should be replicated in the IGT Code.
D3.1 and D3.2		Not included in the BRD	These paragraphs list the data items that are to flow between the Independent Gas Transporter and the DN Operator, to allow the rules in the TPD for allocation and capacity to operate. Each Independent Gas Transporter is required to provide the standing information (listed in paragraph 3.1.2) and any change in such information, and the meter reading information (specified in paragraph 3.1.3) to the DN Operator. The DN Operator is also required to provide certain information (specified in paragraph 3.2) to enable the Independent Gas Transporters to provide the information specified in paragraph 3.1.
D3.3	Transporters'	Not included in the	This paragraph records that each DN Operator and each Independent Gas Transporter appoints the Agency Company as its agent to provide and receive the information, and that as such these data

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	Agency	BRD	flows occur within Xoserve's system so are deemed to occur without action by Xoserve or any other party.
IGTAD SECTION E			
E - DM CSEP Supply Points			This Section sets out rules for a small number of IGTS Supply Meter Points that qualify as either a Class 1 or a Class 2 IGTS Supply Meter Point.
E1	Introduction	iGT BRD 8.2	This paragraph sets out the application and scope of Section E, which includes arrangements in respect of Daily Meter Readings and arrangements relating to Supply Point Capacity at the CSEP Supply Point. It also provides that the Agency Company is appointed as agent for the data flows required under Section E.
E2.1	Responsibility of DN Operator	iGT BRD 8.2	This paragraph sets out that it is the DN Operator's responsibility to perform the functions listed in TPD Section M8 relating to the Meter Reading Requirements. This paragraph records that DN Operators are authorised to carry out such activities in TPD Section M. This paragraph also recognises that the DN Operator's obligations are owed to the IGTS Users and not to the Independent Gas Transporters themselves.
E2.2	Application of Class 1 Requirement	iGT BRD 8.2	This paragraph contains provisions relating to the data flows required when an IGTS Supply Meter Point becomes subject to the Class 1 Requirement and when it ceases to apply.
E2.3	Provision of information by DN Operator	iGT BRD 8.2	This paragraph records that the DN Operator is not obliged to provide Daily Meter Readings and that it is the Independent Gas Transporters' obligation to obtain such information from their Users.
E3.1	Supply Point Administration Processes	iGT BRD 8.2	Paragraph 3 applies to Class 1 and Class 2 IGTS Supply Points. Paragraph 3.1 acknowledges that the Independent Gas Transporters do not need to replicate the identical provisions in TPD G2 relating to Supply Point administration. However to allow the DM Supply Point Capacity and Interruption rules to operate, the DN Operator requires some data from the IGT's equivalent processes. Paragraph 3.1.2 lists the data flows that are needed originating from Supply Point administration

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			<p>processes.</p> <p>Paragraph 3.1.13 sets out the data flows required in respect of Interruptible IGTS Supply Points.</p>
E3.2	NExA Supply Meter Point	iGT BRD 8.2	<p>This provision allows for the equivalent of an Supply Point NExA to be entered into by the DN Operator and the customer or the IGTS User in relation to a very large DM IGTS Supply Meter Point. Where required, the Independent Gas Transporter shall not connect such IGTS Supply Meter Point to the IGTS System until this is in place.</p>
IGTAD SECTION F			
Section F - General	General	iGT BRD 8.2	<p>Section F is based on OAD Section H, and amended where necessary to reflect the arrangements of the IGTAD.</p> <p>This Section contains general and legal boilerplate and governance rules to the extent not covered in the General Terms.</p> <p>This Section covers:</p> <ul style="list-style-type: none"> - the treatment of documents which may be created under the IGTAD (IGTAD Subsidiary Documents) - the interpretation of references to a Party - the basis on which a new Independent Gas Transporter can become a party to the IGTAD and the basis on which it can withdraw. Note that (as with the OAD) the IGTAD does not include any provisions for the mandatory withdrawal of Independent Gas Transporters. - confidentiality as between parties - the liability of Parties. <p>This Section also creates the IGTAD Committee, a sub-committee of the UNC Committee, which is equivalent to the OAD Committee, except that membership is made up of Independent Gas Transporters and Transporters.</p> <p>Finally this Section provides a definition of IGTAD Communications and sets out the rules for giving and receiving IGTAD Communications.</p>