

UNIFORM NETWORK CODE – OFFTAKE ARRANGEMENTS DOCUMENT

SECTION I

NTS OPERATIONAL FLOWS

4 Pressure

4.1 General

4.1.1 For the purposes of this Section I, in relation to an Offtake:

- (a) "Assured 0600 Pressure" and "Assured 2200 Pressure" mean the 0600 pressure and the 2200 pressure respectively comprised in the Assured Offtake Pressure in accordance with TPD Section J2.5;
- (b) a reference to the 0600 pressure in relation to a Day is to pressure (at the Point of Offtake) at 0600 hours at the end of the Day;
- (c) at any time, in relation to any Day, the "Agreed 0600 Pressure" means the agreed 0600 pressure for that Day prevailing in accordance with paragraph 4.2.7 at that time;
- (d) "Significant Offtake" means an Offtake which is capable of being the subject of a pressure request in accordance with paragraph 4.2 and being an Offtake which is either:
 - (i) identified as having Significant Offtake status in an Offtake Pressure Statement; or
 - ~~(e)~~(ii) granted temporary Significant Offtake status in accordance with paragraph 4.2.9.

4.1.2 For the purposes of TPD Section J2.1.4, pursuant to TPD Section J2.1.1(b)(iii), the Applicable Offtake Pressure (so far as relating to 0600 pressure) in relation to an Offtake on any Day shall be the Agreed 0600 Pressure.

4.1.3 Without prejudice to the rights and obligations of the Parties under this Document (or to the specific provisions of this paragraph 4), in relation to any or all of the Offtakes serving an LDZ, National Grid NTS and the DNO agree to cooperate with a view to establishing operating pressures at such Offtake(s) which optimise the safe and efficient operation of the NTS and such LDZ.

4.2 Agreed pressures

4.2.1 For the purposes of this paragraph 4.2, in relation to an Offtake:

- (a) a "pressure request" is a request (including a revised request) to be submitted by the DNO specifying a requested 0600 pressure, being the DNO's preferred 0600 pressure for the purposes of operating that Significant Offtake and the LDZ on that Day;
- (b) the requested 0600 pressure in a pressure request may be lower than, equal to or (subject to paragraph 4.2.4) higher than:
 - (i) in the case of the initial pressure request (under paragraph 4.2.2(a)), the Assured 0600 Pressure; and
 - (ii) in the case of a revised pressure request, the Agreed 0600 Pressure.

4.2.2 In relation to each Significant Offtake, for each Day:

- (a) the DNO shall, at the same time as submitting (in accordance with paragraph 2.2.1) an initial Offtake Profile Notice for the Day, submit to National Grid NTS an initial pressure request, specifying the requested 0600 pressure for Day D; and
- (b) the DNO may from time to time thereafter, up to but not (unless National Grid NTS otherwise agrees) after 2400 hours on the Day, submit a revised pressure request for the Day.

4.2.3 If (in relation to a pressure request) the requested 0600 pressure is no higher than:

- (a) (in the case of the initial pressure request) the Assured 0600 Pressure; or
- (b) (in the case of a revised pressure request) the prevailing Agreed 0600 Pressure;

National Grid NTS will agree the requested 0600 pressure, subject to paragraph 4.2.5.

4.2.4 If the requested 0600 pressure is higher than the Assured 0600 Pressure or (as the case may be) the prevailing Agreed 0600 Pressure, National Grid NTS will agree the requested 0600 pressure if it considers that the safe and efficient operation of the NTS (consistent with its obligations under the Code) would not be materially prejudiced if it were to make or seek to make gas available for offtake (at the Significant Offtake) on the basis of the requested 0600 pressure, and not otherwise.

4.2.5 National Grid NTS may request the DNO to reduce the requested pressure in an initial pressure request or (as the case may be) the prevailing Agreed 0600 Pressure, where National Grid NTS would prefer to operate the NTS on the basis of that reduced 0600 pressure at the relevant Significant Offtake.

4.2.6 The DNO will agree to a request by National Grid NTS to reduce the requested 0600 pressure or prevailing Agreed 0600 Pressure if the DNO considers that the safe and efficient operation of the LDZ (consistent with its obligations under the Transportation Principal Document) would not be materially prejudiced if gas were made available for offtake (at the Significant Offtake) on the basis of such reduced pressure, and not otherwise.

4.2.7 For the purposes of this Section I, in relation to an Significant Offtake and any Day, the Agreed 0600 Pressure at any time shall be the prevailing 0600 pressure agreed pursuant to paragraph 4.2.3, 4.2.4 or 4.2.6 (as the case may be).

4.2.8 National Grid NTS (for the purposes of paragraph 4.2.4, in relation to a pressure request by a DNO) or the DNO (for the purposes of paragraph 4.2.6, in relation to a request by National Grid NTS under paragraph 4.2.5) shall be entitled, in considering whether the operation of the NTS or (as the case may be) LDZ would be prejudiced as provided in paragraph 4.2.4 or 4.2.6, to make allowance for the risk of error in prevailing demand forecasts and for other possible changes in circumstances over the remainder of the Day (in particular, having regard to the effect of paragraph 4.2.6 or as the case may be 4.2.4 in the case where it accepts the relevant request).

4.2.9 Where in relation to any Offtake that is not specified as having Significant Offtake status in the Offtake Capacity Statement either National Grid NTS or the DNO requires an 0600 pressure that is higher or lower than the Assured Offtake Pressure (the “nominating party”), the nominating party may notify the other that such Offtake shall temporarily be granted Significant Offtake Status such notification shall be made as soon as reasonably practicable and shall specify:

- (a) the Offtake;
- (b) the period during which the temporary Significant Offtake status shall apply.

Any Offtake in relation to which a notification has been made under this paragraph 4.2.9 shall be deemed to be a Significant Offtake for the purposes of this paragraph 4.2 during the period referred to in (b) above.

4.2.10 To the extent to which compliance by the DNO with a request by National Grid NTS to reduce the requested 0600 pressure or prevailing Agreed 0600 Pressure in respect of a Significant Offtake causes the DNO to breach, infringe or otherwise contravene any of the requirements of:

- (a) paragraph 2.3 and/or TPD Section J4.5.2 (Revisions to Offtake Profile Notices),
- (b) paragraph 3.1 and/or TPD Section J4.6.2 (Offtake Tolerances);
- (c) paragraph 3.2 and/or, TPD Section J4.7.1 (Maximum Rate of Change)

then National Grid NTS shall be deemed to have waived such requirements insofar as they relate to the Significant Offtake in question and any other Offtakes that are affected as a direct result of the DNO's compliance with National Grid NTS' request.

[Drafting note: Specific amendments to be addressed re TPD Section B1.3 (NTS Exit (Flat) Overrun Charges); TPD Section B3.2.25 (Deemed Applications) ; TPD Section B3.13.4(NTS Exit (Flexibility) Overruns)]

4.3 Pressures between 0600 hours and 2200 hours

- 4.3.1 The Parties acknowledge that pursuant to the Transportation Principal Document the Applicable Offtake Pressure comprises a 0600 pressure and a 2200 pressure, and applies on the basis in TPD Section J2.5.1(c).
- 4.3.2 At times other than 0600 hours at the end of a Day, National Grid NTS will use reasonable endeavours to make gas available for offtake at an Offtake at the pressure determined in accordance with paragraph 4.3.4.
- 4.3.3 For the avoidance of doubt the pressures determined under paragraph 4.3.4 are not part of the Assured Offtake Pressure nor the Applicable Offtake Pressure for the purposes of TPD Section J2.
- 4.3.4 Subject to paragraph 4.3.5, for each Day (D), the pressure referred to in paragraph 4.3.2 is:
 - (a) at any time (t) during the period between 0600 hours at the start of Day D and 2200 hours:

$$AP_{0600}^{D-1} - \{1.1 * (AP_{0600}^{D-1} - AOP_{2200}) * H / 16\}$$

where:

AP_{0600}^{D-1} is the Agreed 0600 pressure for Day D-1 (being the Agreed 0600 Pressure prevailing at the start of Day D);

AOP_{2200} is the Assured 2200 Pressure;

H is the period in hours from 0600 hours to time t, rounded up to the nearest hour; and

- (b) at any time during the period between 2200 hours and 0600 hours at the end of Day D:

$$AOP_{2200} + \{0.9 * (AP_{0600}^D - AOP_{2200}) * H / 8\}$$

where:

AP_{0600}^D is the Agreed 0600 Pressure for Day D prevailing at time t;

AOP_{2200} is the Assured 2200 Pressure;

H is the period in hours since 2200 hours, rounded down to the nearest hour; or

- (c) at any time within Day D, such other pressure as National Grid NTS may agree upon the request of the DNO.

- 4.3.5 For the avoidance of doubt, at any time where the pressure determined under paragraph 4.3.4 would be less than the Assured 2200 Pressure, this paragraph 4.3 is of no effect (being superseded by the obligations of National Grid NTS pursuant to TPD Section J in relation to the Assured 2200 Pressure as the Applicable Offtake Pressure).