

CODE MODIFICATION PROPOSAL No 0269
Provision of Exit Information at all NTS Exit Points for the transitional exit period
Version 1.0

Date: 07/10/2009

Proposed Implementation Date: 18/12/2009

Urgency: Non Urgent

1 The Modification Proposal

a) Nature and Purpose of this Proposal

Where capitalised words and phrases are used within this Modification Proposal, those words and phrases shall usually have the meaning given within the Uniform Network Code (unless they are otherwise defined in this Modification Proposal). Key UNC defined terms used in this Modification Proposal are highlighted by an asterisk () when first used. This Modification Proposal*, as with all Modification Proposals, should be read in conjunction with the prevailing UNC.*

There has been extensive Industry consultation in relation to the reform of the NTS Offtake* arrangements, with 7 UNC Modification Proposals ultimately being considered by Ofgem (0116V, 0116CVV, 0116BV, 0116VD, 0116A, 0195 and 0195AV). This consultation culminated in Ofgem's decision on 19th January 2009 to implement Modification Proposal 0195AV with an implementation date of 1st April 2009. As a result of the approval of UNC Modification Proposal 0195AV, National Grid NTS has an UNC obligation to make available information at all NTS Exit Points (including Moffat and Bacton) for the period 1st October 2012 onwards (enduring exit period). The publication of this enduring NTS Exit Capacity data aligns the exit regime with the entry regime and goes beyond the minimum definition of relevant points as stated in Article 6 of the European Commission (EC) Regulation 1775/2005.

The Proposer believes that the UNC Modification Proposals 0195AV, Licence modifications and associated consultations also meets the requirements regarding the publication of data in respect of relevant points as contained in Article 6 EC Regulation 1775/2005. Indeed, the publication of this enduring NTS Exit Capacity data contains data additional to the minimum required by Article 6.

However, there is no UNC obligation for National Grid NTS to publish the same enduring NTS Exit Capacity data for the period from the date of implementation of this Proposal until 30th September 2012 (the transitional exit period). National Grid NTS believes such publication will enable Users to access the same information for the transitional period that will be available in the enduring regime and ensure that the requirements regarding the publication of data in respect of relevant points as contained in Article 6 EC Regulation 1775/2005 are met in the transitional period.

To be consistent with the enduring exit period National Grid NTS proposes

to publish the following information during the transitional period on a monthly basis by System Exit Point on the first business day of the month.

- Baseline NTS Exit (Flat) Capacity
- Remaining Available NTS Exit (Flat) Capacity
- Maximum Supply Point Offtake Rate (MSPOR)
- NTS Offtake (Flat) bookings at individual Distribution Network offtakes
- NTS Exit Capacity bookings at offtakes connected to the NTS
- Aggregate NTS Exit Capacity bookings at interconnectors.
- Actual NTS interruption by offtake: currently provided on a zonal basis

National Grid NTS believe that the development of its existing information publication obligations will benefit the Industry and lead to increased transparency in the interim exit period enabling Users to more fully understand the technical, contracted and available exit capacity for each NTS Exit Point.

b) Justification for Urgency and recommendation on the procedure and timetable to be followed (if applicable)

n/a

c) Recommendation on whether this Proposal should proceed to the review procedures, the Development Phase, the Consultation Phase or be referred to a Workstream for discussion.

The Draft Proposal has already been discussed at Transmission Workstream (01-Oct-09) and therefore National Grid NTS recommends that this Modification Proposal goes directly to consultation.

2 User Pays

a) Classification of the Proposal as User Pays or not and justification for classification

This modification proposal does not affect xoserve systems or procedures and therefore is not affected by User Pays governance arrangements.

b) Identification of Users, proposed split of the recovery between Gas Transporters and Users for User Pays costs and justification

n/a

c) Proposed charge(s) for application of Users Pays charges to Shippers

n/a

d) Proposed charge for inclusion in ACS – to be completed upon receipt of cost estimate from xoserve

n/a

3 Extent to which implementation of this Modification Proposal would better facilitate the achievement (for the purposes of each Transporter's Licence) of the Relevant Objectives

National Grid NTS considers this proposal would, if implemented, better facilitate the following Relevant Objectives as set out in its Gas Transporters Licence in respect of the NTS:

In respect of Standard Special Condition A11.1 (b) the coordinated, efficient and economic operation of the pipe-line system, National Grid NTS believes that this proposal, if implemented would increase the availability of information at all exit system points. It increases transparency at these points enabling Users to better understand their requirements and provide more accurate information to National Grid NTS potentially enabling both more economic and efficient pipeline investment and operation..

In respect of Standard Special Condition A11.1 (d) the securing of effective competition, National Grid NTS believes that this proposal, if implemented, would assist Users by clearly showing the NTS Exit Capacity likely to be available at any exit point by allowing Users access to information on exit points during the interim period in addition to those published for the enduring period.

4 The implications of implementing this Modification Proposal on security of supply, operation of the Total System and industry fragmentation

n/a

5 The implications for Transporters and each Transporter of implementing this Modification Proposal, including:

a) The implications for operation of the System:

See section 3 above

b) The development and capital cost and operating cost implications:

n/a

c) Whether it is appropriate to recover all or any of the costs and, if so, a proposal for the most appropriate way for these costs to be recovered:

n/a

d) The consequence (if any) on the level of contractual risk of each Transporter under the Uniform Network Code of the Individual Network Codes proposed to be modified by this Modification Proposal

n/a

- 6 The extent to which the implementation is required to enable each Transporter to facilitate compliance with a safety notice from the Health and Safety Executive pursuant to Standard Condition A11 (14) (Transporters Only)**
- n/a
- 7 The development implications and other implications for the UK Link System of the Transporter, related computer systems of each Transporter and related computer systems of Users**
- n/a
- 8 The implications for Users of implementing the Modification Proposal, including:**
- a) The administrative and operational implications (including impact upon manual processes and procedures)**
- Users will have access to additional information which will facilitate greater transparency and more information on which Users can base their decisions. National Grid NTS do not anticipate that it will have a significant User impact on administrative and operational activities.
- b) The development and capital cost and operating cost implications**
- National Grid NTS believes there is no development, capital or operation cost implications.
- c) The consequence (if any) on the level of contractual risk of Users under the Uniform Network Code of the Individual Network Codes proposed to be modified by this Modification Proposal**
- No consequences on the level of contractual risk have been identified.
- 9 The implications of the implementation for other relevant persons (including, but without limitation, Users, Connected System Operators, Consumers, Terminal Operators, Storage Operators, Suppliers and producers and, to the extent not so otherwise addressed, any Non-Code Party)**
- n/a
- 10 Consequences on the legislative and regulatory obligations and contractual relationships of the Transporters**
- It would enable National Grid NTS to more fully meet EC Regulation 1775/2005 which requires information to be published by TSOs on entry and exit capacity at all relevant system points.
- 11 Analysis of any advantages or disadvantages of implementation of the Modification Proposal not otherwise identified in paragraphs 2 to 10 above**

Advantages

Identified above

Disadvantages

None identified

- 12 Summary of representations received as a result of consultation by the Proposer (to the extent that the import of those representations are not reflected elsewhere in this Proposal)**

None

- 13 Detail of all other representations received and considered by the Proposer**

None

- 14 Any other matter the Proposer considers needs to be addressed**

None

- 15 Recommendations on the time scale for the implementation of the whole or any part of this Modification Proposal**

Draft Proposal discussed at Transmission Workstream	01-Oct-09
Proposal submitted to Mod Panel	15-Oct-09
Proposal issued for consultation (subject to Mod Panel Approval)	15-Oct-09
Closeout for representations	06-Nov-09
Modification Panel decide upon recommendation	19-Nov-09
Proposed implementation date	18-Dec-09

- 16 Comments on Suggested Text**

- 17 Suggested Text**

Code Concerned, sections and paragraphs

UNC Transition Document

Section(s)

Proposer's Representative

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Proposer

National Grid NTS