

FGO – UNC DRAFTING

OTHER TPD, OAD, IGTAD, TD AND GT DRAFTING

This documents identifies changes to other parts of UNC, in particular:

- *to TPD Sections B, C, D, E, F, Q, S and X;*
- *the deletion of all text in TPD Section U;*
- *to OAD Sections M and N;*
- *to IGTAD Sections A, B, D, E and F;*
- *to TD Part I; and*
- *to GT Section C.*

No EID changes have been identified so far, and changes to MR are yet to be confirmed.

Note the current draft of GT Section D defines Direct Functions and Agency Functions comprising certain functions to be performed by the CDSP in the Code or IGT Code. It is thought helpful to include introductory text at the end of paragraph 1 of each relevant section of UNC to give a high level overview of the different functions CDSP will perform to support implementation of the particular section.

TPD Section B: System Use and Capacity

Amend paragraph 1.7.1(a) to read as follows:

...comprise Capacity Charges, Commodity Charges, Customer Charges, CSEP Charges, ~~User Pays Charges~~ and NTS Entry Capacity Retention Charges ...

Add new paragraph 1.15 to read as follows:

1.15 CDSP Functions

1.15.1 Agency Functions of the CDSP to support implementation of this Section B [include] [are]:

- (a) calculating Transportation Charges, Overrun Charges, CSEP Overrun Charges and Supply Point Ratchet Charges; and
- (b) maintaining a record of Users Registered and Available System Capacity holdings.

Amend paragraph 1.7.8(a) to read as follows:

... the prevailing Transportation Statement, ~~or Metering Charges Statement or Agency Charging Statement;~~

Delete paragraphs 1.7.11, 1.17.12, 1.7.13 and 1.7.14 (where we currently define Agency Charging Statement, User Pays Charge and User Pays Service).

TPD Section C: Nominations

Add new paragraph 1.14 to read as follows:

1.14 CDSP Functions

- 1.14.1 Agency Functions of the CDSP to support implementation of this Section C [include] [are] calculating Forecast User LDZ Unidentified Gas for LDZs and calculating forecast User LDZ Unidentified Gas amounts.¹

¹ This is a post Project Nexus service.

TPD Section E: Daily Quantities, Imbalances and Reconciliation

Add new paragraph 1.14 to read as follows:

1.14 CDSP Functions

1.14.1 Agency Functions of the CDSP to support implementation of Section E [include] [are]:

- (a) calculating Daily Imbalances (including forecast and prevailing imbalances);
- (b) determining Error Revised UDQOs;
- (c) calculating all values and amounts required to support Offtake Reconciliation and Unidentified Gas Reconciliation; and
- (d) [appointing and managing the AUG Expert].

[Consequential amendments to paragraph 10.2 (Appointment of AUG Expert) and 10.3 (Terms of engagement of AUG Expert and cost recovery) where appointment and management of AUG Expert a Direct Function, including deletion of 10.3.5 whereby functions of Transporters/CDSP is a User Pays Service.]

TPD Section F: System Clearing, Balancing Charges And Neutrality

Add new paragraph 1.8 to read as follows:

1.8 CDSP Functions

1.8.1 Agency Functions of the CDSP to support implementation of this Section F [include] [are]:

- (a) calculating Energy Imbalance Charges; and
- (b) calculating Scheduling Charges.

TPD Section Q: Emergencies

Add new paragraph 1.12 to read as follows:

1.12 CDSP Functions

1.12.1 Agency Functions of the CDSP to support implementation of this Section Q are:

- (a) maintaining a record of User emergency contact details; and
- (b) managing post-emergency claims validation processes.

...

Amend paragraph 4.5.9 to read as follows:

4.5.9 For the purposes of reviewing claims submitted by each claimant, National Grid NTS appoints the ~~Transporter Agency CSDP~~ as the claims reviewer (the "**Post-Emergency Claims Agent**") to undertake the validation of all claims.

TPD Section S: Invoicing and Payment

Add new paragraph 1.13 to read as follows:

1.13 CDSP Functions

1.13.1 Agency Functions of the CDSP to support implementation of this Section S [include] [are]:

- (a) notifying Users of invoice timing;
- (b) calculating Invoice Amounts;
- (c) submitting Invoice Documents (and supporting data); and
- (d) resolving Invoice Queries.

Note: in some cases GT calculate invoice amounts under (c), e.g. failure to make gas available for offtake.

[Delete paragraphs 4.6 (GRE Invoice Query Incentive Scheme Methodology) and 4.7 (Operational queries).]

TPD Section U: UK Link

Delete all text in Section U.

TPD Section X: Energy Balancing Credit Management

Add new paragraph 1.7 to read as follows:

1.7 CDSP Functions

1.7.1 Agency Functions of the CDSP to support implementation of this Section X are:

- (a) implementing the Energy Balancing Credit Rules and liaising with the Energy Balancing Credit Committee;
- (b) managing Users Energy Balancing accounts and Further Security Requests;
- (c) monitoring and revising Users Secured Credit Limits and submitting Cash Calls; and
- (d) calculating Relevant Balancing Indebtedness and Outstanding Relevant Balancing Indebtedness.

OAD Section M: Information Flows

Amend paragraph 2.1.2 to read as follows:

- 2.1.2 The Offtake Communications Document may (without limitation) specify any of the matters in paragraph 2.1.1:
- (a) in relation to any category of information, generically by reference to a part of this Document or the Transportation Principal Document, or function or activity pursuant to this Document or the Transportation Principal Document, or specification (provided such specification is available to all Parties) of a system provided by a Party or Parties in connection with the implementation of this Document or the Transportation Principal Document; and/or
 - (b) by reference to any provision of any agreement to which the Parties are party, including without limitation the ~~Agency Services Agreement~~ DSC; and/or
 - (c) in the form of a process diagram or other procedure.

...

Amend paragraph 2.2.1 to read as follows:

- 2.2.1 (Unless otherwise provided elsewhere in the Transportation Principal Document or this Document) the means by which information may be provided by a Party are as follows:
- (a) by telemetry as provided in Section E;
 - (b) by or through the ~~Agency~~ CDSP, or by means of systems provided by the ~~Agency~~, CDSP pursuant to the ~~Agency Services Agreement~~ DSC;
 - (c) by fax in accordance with GT Section B5.2;
 - (d) by telephone in accordance with GT Section B5.3;
 - (e) by any other specific medium and/or communications system described in the Offtake Communications Document; and/or
 - (f) any combination of the above.

OAD Section N: General

Amend paragraph 4.2.2 to read as follows:

4.2.2 The requirements referred to in paragraph 4.2.1(a) are as follows:

- (a) the New DNO shall have applied to National Grid NTS, in such form as the Offtake Committee may from time to time prescribe, giving the following details:
 - (i) the name of the New DNO;
 - (ii) the legal nature of the New DNO and, where the New DNO is not a company incorporated under the Companies Act 1985 (as amended), such further information concerning the constitution of the New DNO as National Grid NTS may reasonably require;
 - (iii) the address, telephone and facsimile numbers of the New DNO, and the individual for whose attention notice is to be marked, for the purposes of notice under GT Section B5.2.3; and
 - (iv) where the New DNO is not a company incorporated under the Companies Act 1985 (as amended), an address for service in accordance with GT Section B6.7.3;
- (b) the New DNO shall have obtained from the Offtake Committee one or more copies of the Subsidiary Documents and such other documents referred to in this Document or the Transporters Framework Agreement as the Committee shall from time to time prescribe for the purposes of this paragraph 4.2.2(b);
- (c) the New DNO has entered into or has had assigned or novated to it Supplemental Agreements with the relevant Party in respect of each Offtake relating to the LDZ of which it is operator as required by this Document; ~~and~~
- (d) the New DNO has satisfied any requirements which may apply under the Offtake Communications Document; ~~and~~
- (e) the New DNO shall have signed the Accession Agreement and shall have satisfied the Accession Requirements (each as defined in the DSC).

...

Amend paragraph 5.1.1 to read as follows:

5 Cessation, withdrawal and termination

5.1 Withdrawal

5.1.1 A DNO ("withdrawing DNO") may cease to be a Party where the following conditions are, or will (with effect from its ceasing to be a Party) be, satisfied:

- (a) the withdrawing DNO has ceased to be the operator of any LDZ;
- (b) the withdrawing DNO is not bound to be a Party by the conditions of a Transporter's Licence;
- (c) the withdrawing DNO is not bound by the Code pursuant to any Shippers Framework Agreement;

- (d) all Supplemental Agreements to which the withdrawing DNO is party have been assigned or novated to another Party or have been terminated;
- (e) there are no financial or other liabilities or obligations (whether accrued, outstanding or contingent) of the withdrawing DNO to any other Party under this Document; ~~and~~
- ~~(e)(f)~~ the withdrawing DNO has satisfied the Withdrawal Requirements (as defined in the DSC)

...

Amend paragraph 7.1.6 to read as follows:

7.1.6 In the event of any conflict between this paragraph 7.1 and any provision of the ~~Agency Services Agreement~~ [Data Services Contract] or, Joint Governance Arrangements Agreement, the relevant provision of the ~~Agency Services Agreement~~ [Data Services Contract] or, Joint Governance Agreement shall prevail.

IGTAD Section A: Scope and Classification

Amend paragraph 1.7 to read as follows:

1.7 **CDSP Agency Company**

1.7.1 Pursuant to [GT Section B7] ~~e~~Each Independent Gas Transporter is to engage the ~~Agency Company~~ **CDSP** to undertake certain activities (in relation to the IGT Code) including activities equivalent to certain of those of the ~~Transporter Agency CDSP~~ pursuant to the Transportation Principal Document, TPD Section V, and to act as agent of the Independent Gas Transporter for certain purposes; and each Independent Gas Transporter is to enter into an agreement the DSC with the Agency Company CDSP for those purposes.

~~1.7.2 For the purposes of the Code;~~

(a) ~~“Agency Company” means the person which acts as Transporter Agency pursuant to TPD Section V6.5; and~~

(b) ~~“IGT Agency Services Agreement” means the agreement referred to in paragraph 1.7.1.~~

~~1.7.3~~ 1.7.2 Each DN Operator and each Independent Gas Transporter are also to engage (pursuant to the DSC) the ~~Agency Company~~ **CDSP** to provide and receive certain data pursuant to this Document.

~~1.7.4~~ 1.7.3 The ~~Agency Company~~ **CDSP** may, as agent for each DN Operator and each Independent Gas Transporter, provide and receive information which is not specified in paragraphs 3.1.2, 3.1.3 and 3.2.2 of IGTAD Section D to the extent that it is necessary to do so to enable the operation of the Code.

1.7.4 The services to be provided by the CDSP to DN Operators and Independent Gas Transporters in connection with this Document are CDSP Agency Services.

IGTAD Section B: IGT Systems – Connection and Operational Arrangements

Add new paragraph 1.7 to read as follows:

1.7 CDSP Functions

- 1.7.1 Agency Functions of the CDSP to support implementation of this Section B [are] [include] maintaining IGT System Registrations on behalf of DN Operators.

IGTAD Section D: IGT Code Rules and Data Exchange

Amend paragraph 2.1.2 to read as follows:

2.1.2 Notwithstanding paragraph 2.1.1, it is acknowledged and agreed that (as ~~reflected~~ ~~provided~~ in the ~~IGT Agency Services Agreement~~ DSC Services Description) the provisions of [an] IGT ²Code in relation to the registration of New Supply Meter Points and the provision of Supply Meter Installations may differ from those of the Transportation Principal Document to reflect differences (which do not prejudice the objective set out in paragraph 1.1.1) in the processes applied by Independent Gas Transporters in relation to those matters.

...

Amend paragraph 3.3 to read as follows:

3.3 Central Data Services Provider Transporters' Agency

3.3.1 Pursuant to the DSC, ~~e~~Each DN Operator and each Independent Gas Transporter shall appoint the ~~Agency Company~~ CDSP as its agent to provide and receive the information specified in paragraphs 3.1.2, 3.1.3 and 3.2.2 (and ~~they~~ shall not provide such information other than by the CDSP Transporters' Agency).

3.3.2 The Parties acknowledge and agree that:

- (a) the services of the ~~Agency Company~~ CDSP to be provided respectively to Independent Gas Transporters and to DN Operators under the DSC Services Description include the provision of the information specified in paragraphs 3.1 and 3.2 respectively;
- (b) by virtue of such services, each Independent Gas Transporter and DN Operator will (provided it complies with the requirements in paragraph 2 and the DSC arrangements made with the Agency Company, and subject to paragraph (c)) comply with the requirements of paragraph 3.1 and 3.2;
- (c) it is the responsibility of the Independent Gas Transporter to enforce the IGT Code in relation to IGTS Users; and
- (d) paragraph (b) will not apply in relation to an Independent Gas Transporter to the extent that the failure of a IGTS User to comply with the IGT Code results in any failure of the Independent Gas Transporter to provide information in accordance with paragraph 3.1.

3.3.3 Each Party acknowledges that the ~~Agency Company~~ CDSP may provide to the other Parties information received from the first Party or its Users to the extent necessary to give effect to the provisions of this Section D.

² In GT D we use IGT Code as if there were only one, i.e. like the UNC. To confirm which is correct.

IGTAD Section E: DM CSEP Supply Points

Amend paragraph 1.3 to read as follows:

1.3 ~~Transporters Agency~~ Central Data Services Provider

- 1.3.1 Pursuant to the DSC, ~~Each DN Operator and each Independent Gas Transporter shall~~ appoints the ~~Agency Company~~ CDSP as its agent to provide and receive the information specified in paragraphs 2.2.1, 2.2.2, 2.3 and 3.1.2.

IGTAD Section F: General

Amend paragraph 3.2.2(d) to read as follows:

- (d) ~~the New IGT will have acceded to the IGT Agency Services Agreement and satisfied all requirements under that Agreement for the New IGT to obtain services from the Transporters Agency.~~ shall have signed the Accession Agreement and shall have satisfied the Accession Requirements (each as defined in the DSC).

...

Amend paragraph 4.1.1 to read as follows:

- 4.1.1 An Independent Gas Transporter ("**withdrawing IGT**") may cease to be Party where the following conditions are, or will (with effect from its ceasing to be a Party) be, satisfied:
- (a) the withdrawing IGT has ceased to be the operator of any IGT System;
 - (b) the withdrawing IGT is not bound to be a Party by the conditions of a gas transporter's licence;
 - (c) the withdrawing IGT has no outstanding CSEP Registrations or IGT Registrations;
~~and~~
 - (d) there are no financial or other liabilities (whether accrued, outstanding or contingent) of the withdrawing IGT to any other Party under this Document; ~~and~~
 - (e) the withdrawing IGT has satisfied the Withdrawal Requirements (as defined in the DSC).

...

Amend paragraph 5.1.2 to read as follows:

- 5.1.2 The terms of the Code, the Transporters Framework Agreement ~~and~~, ~~the Agency Services Agreement and the IGT Agency Services Agreement~~ DSC are not Protected Information.

...

Amend paragraph 5.1.5 to read as follows:

- 5.1.5 For the avoidance of doubt, information received by a Party from the ~~Transporters Agency~~ CDSP acting as agent on behalf of another Party is Protected Information for the purposes of the Code.

...

Amend paragraph 5.2.2 to read as follows:

- 5.2.2 In relation to the Receiving Party, "Permitted Activities" means the carrying on of transportation business (as defined in the Receiving Party's gas transporter's licence(s)), the operation, administration, maintenance and development of the Receiving Party's System, and the implementation and performance of the Code, the Transporters' Framework Agreement or [any] IGT Code or IGT Framework Agreement or the DSC.

...

Amend paragraph 5.4.1(d) to read as follows:

- (d) to any Protected Information to the extent that the Receiving Party is expressly permitted or required to disclose that information under the terms of any agreement or arrangement made with the Protected Party or to which it is party (including this Document, the Transporters Framework Agreement, ~~and any Supplemental Agreement to which the Protected Party is a party, and the DSC~~);

...

Amend paragraph 6.1.6 to read as follows:

6.1.6 In this paragraph 6.1:

- (a) ~~references to a Party's agent include the Agency Company when acting as agent for that Party (but for the avoidance of doubt, the Transporters Agency does not enter into or perform the IGT Agency Services Agreement as agent for the Transporters); and~~³
- (b) **"third party"** means any person other than a Party, or any officer, employee or agent of a Party (and for the avoidance of doubt includes any User).

...

Amend paragraph 8.2.1 to read as follows:

8.2.1 Where under the provisions of this Document (including under Section D or E) an IGTAD Communication is to be given by the ~~Transporters Agency~~ CDSP on behalf of a Party, such IGTAD Communication shall be deemed to be given and received at the time required and in compliance with the provisions of this Document, except where the relevant systems of the ~~Transporters Agency~~ CDSP have failed in which case such communication shall be given in accordance with the applicable Contingency Procedures provisions in the UK Link Manual of the Agency Services Agreement or IGT Agency Services Agreement.

³ No longer needed on the basis that the DSC will provide a liability regime for the CDSP to which all IGTAD Parties have signed up.

TD Part I: General

Add new paragraph 3 to read as follows:

3 Transitional arrangements in relation to CDSP and DSC

3.1 For the purposes of the Code

- (a) **CDSP Modification** means the Code Modification referred to as Modification 0565 to be implemented with effect from the CDSP Implementation Date;
- (b) **CDSP Modification Date** means the Day following the Day on which the CDSP Modification is approved by the Authority;
- (c) **CDSP Implementation Date** means [1 April 2017].

3.2 The agreed form, as at the CDSP Modification Date, of each of the documents (together comprising the DSC) listed below, is the form of such document submitted to the Authority as an attachment to the Final Modification Report in respect of the CDSP Modification:

- (a) the DSC Agreement;
- (b) the DSC Terms and Conditions;
- (c) the CDSP Service Description;
- (d) the Budget and Charging Methodology;
- (e) the DSC Credit Policy;
- (f) the UK Link Manual;
- (g) the Change Control Procedures;
- (h) the Contract Management and Reporting Arrangements;
- (i) the Bespoke and Third Party Services Policy; and
- (j) the DSC Transitional Arrangements Document.

3.3 The DSC Transitional Arrangements Document, so far as it contains provisions which operate to commence or vary (or otherwise operate as transitional provisions in respect of) the provisions of the Code as modified by the CDSP Modification, shall have effect for the purposes of the Code as if it were incorporated in the Transition Document.

GT Section C: Interpretation

Amend definition of "Code Communication" in paragraph 1 to read as follows:

"Code Communication" means any communication to be given by a Party or the CDSP User or a Transporter (including any notification, application, nomination, confirmation, request, approval, acceptance, invoice or other notice to be given, made or submitted) under the Transportation Principal Document.

Do we need to do the same with IGTAD? Any Direct Functions in IGTAD?

...

Amend paragraph 2.9.7 to read as follows:

2.9.7 An "Affiliate" of a specified percentage in relation to a body corporate is:

- (a) another body corporate which holds not less than the specified percentage of the voting rights of the first body corporate; or
- (b) a subsidiary of the first body corporate or of such a body corporate as is referred to in paragraph (a);

and for these purposes 'voting rights', 'holding' voting rights and 'subsidiary' are to be construed in accordance with Section 736A of the Companies Act 1985. The CDSP shall not be treated for any purposes of the Code as an Affiliate (of any specified percentage) of any Party.