

Modification 0642A (Urgent)

Changes to settlement regime to address Unidentified Gas issues

Proposed Legal text

Transportation Principal Document

TPD Section C - Nominations

Delete existing text at paragraph 1.5.3 and replace text to read as follows:

1.5.3 For the purposes of the Code, in relation to a User, a LDZ and a Day, at any time:

- (a) the “**Forecast User LDZ Unidentified Gas**” (FULUG) shall be calculated as follows;

$$\text{FULUG} = \text{FBULUG} + \text{FMULUG}$$

where

$$\text{FBULUG} = \text{FBUIG} * \text{ULNO} / \text{AULNO}$$

$$\text{FMULUG} = \text{FMUIG} * \text{ULNQ}_{\text{NDM}} / \text{AULNQ}_{\text{NDM}}$$

and where

FBUIG is the Forecast Base Unidentified Gas for the LDZ and the Day in accordance with Section H2.6.2(b);

FMUIG is the Forecast Marginal Unidentified Gas for the LDZ and the Day in accordance with Section H2.6.2(c);

ULNO is the User’s User LDZ Nomination Quantity for the LDZ and Day at that time;

AULNO is the aggregate for all Users of the User LDZ Nomination Quantity for the LDZ and Day at that time

ULNO_{NDM} is the User’s User LDZ NDM Nomination Quantity for the LDZ and Day at that time

AULNO is the aggregate for all Users of the User LDZ NDM Nomination Quantity for the LDZ and Day at that time;

- (b) the “**User LDZ Nomination Quantity**” at any time for a User, a LDZ and a Day is the sum of the User’s adjusted Nomination Quantities (as at that time) for that Day for all DM Supply Points, NDM Supply Points and Connected System Exit Points in that LDZ;
- (c) the “**User LDZ NDM Nomination Quantity**” at any time for a User, a LDZ and a Day is the sum of the User’s adjusted Nomination Quantities (as at that time) for that Day for all NDM Supply Points in that LDZ.

TPD Section E - Daily Quantities, Imbalances and Reconciliation

Section E of the Transportation Principal Document to be amended as shown in the attached Schedule A.

TPD Section H - Demand Estimation and Demand Forecasting

Section H of the Transportation Principal Document to be amended as shown in the attached Schedule B.

Transition Document

Amend Part IIC of the Transition Document by inserting a new paragraph 24 to read as follows:

23 REVISION OF UNIDENTIFIED GAS ALLOCATION

24.1 General

24.1.1 In this paragraph 24:

- (a) **Modification** means Modification 0642A (pursuant to which, among other things, this paragraph 24 applies);
- (b) **Implementation Date** means the Implementation Date of the Modification;
- (c) **Old Rules** means the provisions of the Code as they apply prior to the Modification;
- (d) **New Rules** means the provisions of the Code as they apply following the Modification;
- (e) section references are to sections of the Transportation Principal Document.

24.1.2 Subject to the further provisions of this paragraph 24, the New Rules are to be effective from the Implementation Date on a Gas Flow Day basis.

24.1.3 For the purposes of this paragraph 24, where a provision of the New Rules is to be effective from the Implementation Date on a "**Gas Flow Day basis**":

- (a) such provision shall be effective in respect of gas flows (and related activities under the Code including the holding of System Capacity, the making of Nominations, and the allocation of quantities as UDQIs and UDQOs) on Days on and from the Implementation Date;

and accordingly

- (b) in relation to anything which (under the Code) may be done or is to be done before the Gas Flow Day, the New Rules shall apply before the Implementation Date in relation to Gas Flow Days on and after the Implementation Date;
- (c) in relation to anything which (under the Code) may be done or is to be done after the Gas Flow Day, the Old Rules shall apply on and after the Implementation Date in relation to Gas Flow Days before the Implementation Date.

24.2 Modification of Section E

For the purposes of Section [E7.1], in relation to each Reconciliation Billing Period falling within the 12 months following the Implementation Date, for any Settlement Error Reconciliation Month falling prior to the Implementation Date, the Old Rules shall apply for the purposes of Unidentified Gas Reconciliation (and accordingly Section E7.1.2(f) and (g) and E7.1.3 apply on the basis of the "User Aggregate Monthly LDZ Quantity", calculated as the sum over all System Exit Points, rather than User Aggregate Monthly LDZ Class 2-4 Quantity calculated as the sum over all Class 2, 3 and 4 Supply Points).

24.3 Modification of Section H

24.3.1 For the purposes of the New Rules in Section H1.14.1(a), for each LDZ, until the first Gas Year for which the Demand Estimation Sub-Committee sets (in accordance with Section H1.14) a different Base UIG Factor for such LDZ, the Base UIG Factor shall be 2.5%.

24.3.2 For the purposes of the New Rules in Section H1.14.1(b), until the first Gas Year for which the Demand Estimation Sub-Committee sets (in accordance with Section H1.14) different allocation factors, the allocation factors shall be:

- (a) Class 1 Supply Meter Points and Metered CSEPs, for which the allocation factor is 0.4%;
- (b) Class 2, 3 and 4 Supply Meter Points, for which the allocation factor is 100%.