<u>Draft</u>

UNC 0665: Introduction of suitable classification of Ratchetable Supply Points & ensuring accurate Capacity Allocations (SOQ)

<u>Guidelines document for the inclusion of relevant Supply Meter Points in the ratchet charging</u> <u>arrangements</u>

The following identifies the circumstances under which the relevant Transporter from time to time will apply Supply Point Ratchet Charges

- All Class 1 Daily Metered (DM) Supply Meter Points will be included in the ratchet charging arrangements and will be eligible for such Supply Point Ratchet Charges to be applied in accordance with UNC TPD Section B4.7.
- Class 2 Supply points may be promoted to Class 1 in the following circumstances:
 - Class 2 Supply Meter Points may be included in the ratchet charging arrangements if the Distribution Network Operator (DNO) can demonstrate that the Supply Point Ratchet is likely to have a material effect on the operation of the DNO's System. For example, if a Class 2 Supply Meter Point in area in which an SOQ breach (either nominated or previous winters maximum) of [x] would cause an issue at 1:20. This material effect may include effects on system pressures both transitory and enduring and the operation of DNO assets such as Pressure Reduction Installations.
 - Class 2 Supply Meter Points that situated within an area of an LDZ where a network reinforcement requirement (as determined by the relevant Transporter) has been identified to ensure maintenance of adequate pressures and the safe operation of the network may be designated as subject to Supply Point Ratchet Charges until the network is reinforced. Note that Transporter will have the sole discretion when identifying Such Supply Meter Points.
 - Class 2 Supply Meter Points that have a disproportionately high peak instantaneous demand may also be included in the Ratchet charging arrangements so that other Shipper Users on the network are not unduly affected by the Supply Meter Point exceeding its booked Supply Point Daily Capacity (SOQ) which could cause pressure management problems.
 - Class 2 Supply Meter Points that collectively could cause an impact if they ratcheted at same time may be eligible for Supply Point Ratchet Charges.

 Class 2 Supply Meter Points that consistently exceed their pre-booked SOQ may be subject to the ratchet charging arrangements if the network is able to demonstrate an impact to the safe operation of the network.

Disputes Process

- Shippers Users will have 20 Business Days to dispute with the relevant Transporter a Class 2 Supply Meter Point that has been identified as being eligible for Supply Point Ratchet Charges but which the Shipper Users believes should not be so eligible.
- If a Shipper User raises an objection to a Class 2 Supply Meter Point being identified as subject to Supply Point Ratchet Charges, then they will need to identify and notify the relevant Transporter in writing the reasons why they believe this should not be the case.
- The relevant Transporter will consider the objection and respond to the Shipper User in [x] Business Days stating why the Supply Point has been so elected.
- If the dispute remains unresolved then the provisions within the Uniform Network Code, General Terms, Section A should be referred to.