#### **MODIFICATION 0691S**

# CDSP TO CONVERT CLASS 2, 3 OR 4 SUPPLY METER POINTS TO CLASS 1 WHEN G1.6.15 CRITERIA ARE MET

[Draft] proposed legal text

### 1 - TRANSPORTATION PRINCIPAL DOCUMENT

#### **SECTION G - SUPPLY POINTS**

Amend paragraph 2.2 to read as follows:

#### 2.2 Changes in Supply Point Classification, etc

- 2.2.1 Any change in the relevant classification of a Supply Meter Point or Supply Point or a meter reading election in relation to a Supply Meter, shall be given effect only upon and by way of:
  - (a) Supply Point Confirmation or (as the case may be) Supply Point Reconfirmation; or
  - (b) where permitted under Annex G-1, Supply Point Amendment; or
  - (b)(c) by the CDSP pursuant to paragraph 2.2.8;

and the provisions of paragraph 2.1 and Section A4 as to the relevant classification shall be construed accordingly.

- 2.2.2 Where, by virtue of a change in the Annual Quantity or other status as provided in paragraph 2.1.3, a Supply Meter Point or Supply Point is required (in accordance with any provision of the Code) to be classified differently from the prevailing relevant classification, the Registered User shall make a Supply Point Reconfirmation or Supply Point Amendment to give effect to such revised classification for a Supply Point Registration Date or (as the case may be) amendment date not more than 2 months after:
  - (a) subject to paragraph (b), the relevant date (as provided in paragraph 2.2.12(b));
  - (b) in the case of a change within paragraph 2.1.5, the date when the Class 1 Meter Read Requirements are satisfied.
- 2.2.3 Where pursuant to any provision of the Code (and other than upon a change in the Annual Quantity or other status as provided in paragraph 2.1.3) the Registered User is entitled to elect for a change in Class of the Supply Meter Point or make a meter reading election in relation to a Supply Meter:
  - (a) subject to paragraph (b), the Registered User may not make such an election with effect from a date less than 2 months after the effective date of the last change in Class of the Supply Meter Point or (as the case may be) meter reading election in relation to the Supply Meter;

- (b) paragraph (a) does not apply in respect of a change of Class or meter reading election under a Supply Point Confirmation under which the Proposing User is not an Existing Registered User, or made for the purposes of recording a change in supplier.
- 2.2.4 A Supply Point Amendment changing the Class of a Supply Meter Point from a Class 3 or 4 Supply Meter Point to a Class 1 or 2 Supply Meter Point shall:
  - (a) confirm that the Prevailing Supply Point Capacity will apply at the Supply Meter Point; and
  - (b) specify a Supply Point Offtake Rate (consistent with Annex B-3, paragraph 4.1).
- 2.2.5 If the Class of a Supply Meter Point is changed by way of a Supply Point Amendment, a Meter Reading shall be obtained and submitted to the CDSP in accordance with Section M5.14.1.
- 2.2.6 The CDSP shall monitor each Supply Meter Point in Class 2, Class 3 or Class 4 and, where the Annual Quantity at any such Supply Meter Point becomes equal to or greater than the Annual Quantity specified in paragraph 2.1.3(b) (calculated by reference to paragraph 2.3.15), notify the Registered User, the relevant Transporter and any DM Services Provider appointed by the relevant Transporter of the same, along with details of the relevant Annual Quantity, as soon as reasonably practicable. [Drafting Note - Could the Proposer consider: At point 6 of the BRs reference is made to the DM Service Provider satisfying the C1 MRRs if the Transporter has not already done so by that stage in the process introduced by the mod. As that process is sequential, and initiates where a Registered User is in breach of its in paragraph 2.2.2(b) obligation (being an obligation that itself is tied to the satisfaction of the C1 MRRs), then point 6 of the BRs will never be reached when the C1 MRRs have not be satisfied - and therefore the reference to notifying the DM Service Provider will not be triggered. A possible alternative approach is to include this clause 2.2.6 (which is not repeating an obligation in the UNC if the notification is currently discharged by CDSP as a result of an obligation outside the UNC) and make reference to notifying the relevant DM Service Provider at the same time. This should resolve the notification / communication problem targetted at BR 6.1
- 2.2.7 Where the CDSP identifies that a Registered User is in breach of its obligation in paragraph
  2.2.2(b) to reclassify a Class 2, 3 or 4 Supply Meter Point to a Class 1 Meter Point arising
  solely from a failure to reclassify on the basis of the Annual Quantity at that Supply Meter
  Point having become equal to or greater than the Annual Quantity specified in paragraph
  2.1.3(b) (calculated by reference to paragraph 2.3.15) it shall, as soon as reasonably
  practicable, give notice to the Registered User of the same and:
  - (a) \_\_notify such Registered User that, if it does not remedy such breach within 20 Supply
    Point Business Days of the date on which the CDSP's notice was issued, the CDSP
    shall change the classification of a Supply Meter Point on the Registered User's
    behalf; and
  - (b) require such Registered User to provide details of the Supply Point Capacity and the Supply Point Offtake Rate applicable (in each case) to the Supply Meter Point within 20 Supply Point Business Days of the date on which the CDSP's notice was issued.

    [Drafting Note,—Please confirm whether the reference to the Requested Supply Point Capacity should be to the Prevailing SPC per what used to be G5.2.3(c) and is now, Annex B-3 2.3, or to the Supply Point Capacity.]

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- If the Registered User does not remedy its breach of the Code within the time period set out in paragraph 2.2.7(a), the CDSP shall reclassify the relevant Supply Meter Point as a Class 1 Supply Meter Point and in so doing shall:
  - if and to the extent the Registered User has provided either or both of the details requested pursuant to paragraph 2.2.7(b) the CDSP, utilise such detail(s) in undertaking the reclassification;
  - if and to the extent the Registered User has not provided one or both of the details requested pursuant to paragraph 2.2.7(b) the CDSP shall, in the case of the detail not
    - where the Supply Meter Point is, prior to reclassification, a Class 2 Supply Meter Point, use the existing Prevailing Supply Point Capacity and/or existing Supply Point Offtake Rate for the Supply Meter Point; [Drafting Note: 1 -Please confirm that the intention is that where only one of the two details is provided the substitution only applies to the value not provided (i.e. rather than both). 2 - The MR refers to "unless instructed otherwise by the shipper" This (i) undermines the Shipper's obligation to notify within 20 SPBDs as above and (ii) could be activated at any time, potentially causing settlement problems. It has therefore not been included in the drafting pending confirmation, 3 - Also, the drafting of the MR is not clear as regards the reference to existing/prevailing whether the intention is to use the "Prevailing" SPC defined term or not – see comment above]; or
    - where the Supply Meter Point is a Class 3 or 4 Supply Meter Point, [adopt the existing NDM Supply Point Capacity derived from the AQ applicable to the Supply Meter Point as the Supply Point Capacity], and/or adopt a value equivalent to 1/12th (one twelfth) of the Supply Point Capacity (or Supply Point Capacity adopted pursuant to this paragraph as appropriate) as the Supply Point Offtake Rate for the Supply Meter Point; [Drafting Note: 1 - Re the text in square brackets, this relies heavily on the MR wording, xoserve to confirm this is meaningful and adequately specific for their purposes / those of the UNC. 2 - The MR refers to the "prevailing NDM SPC" here. Please confirm that what is intended is "existing" rather than as a defined term reference (see comment 3 immediately above).]
- Each Registered User shall, in respect of each Supply Meter Point registered in its name use all reasonable endeavours to:
  - assist the relevant Transporter in the discharge of that Transporter's obligations pursuant to paragraph 2.1.5(a); and
  - (b) to faciliate the discharge of the measures described in paragraph 2.2.8 as may be required by any Party or the CDSP.
- 2.2.10 Breaches of the Code by a Registered User shall not be waived or remedied in circumstances where the CDSP discharges its obligations pursuant to paragraph 2.2.8, and the Registered User shall be liable for all information deemed or adopted on its behalf by the CDSP as if such information had been provided by the Registered User.
- 2.2.8 To the extent that the Registered User of a Supply Meter Point changes at any time after the issueance of a notice by the CDSP pursuant to paragraph 2.2.7, the CDSP shall

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reissue such notice to the incoming Registered User, the timetables set out therein shall reset and the subsequent sub-paragraphs of this paragraph 1 shall apply. [Drafting Note: There are two ways to deal with this: 1 – A breach is inherited and dealt with as described in this clause. 2 – On a supplier transfer any time after the date on which the Transporter Daily Read Equipment is installed causes a 2 month period in 2.2.2(b) to reset at the date the transfer completes. The MR is not specific and the simple approach is as drafted here. Pls consider.]

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#### 2.2.5

## 2.2.62.2.12 For the purposes of this paragraph 1:

- (a) "relevant classification" means the Class of a Supply Meter Point or the classification of a Supply Point as Smaller or Larger;
- (b) the relevant date is the date of the change in status of the Supply Meter Point or Supply Point in question, or other date with effect from which the requirement for reclassification first arises;
- (c) a "meter reading election" is an election in relation to a Class 3 Supply Meter of the Batch duration (in accordance with Section M5.8.1) or in relation to a Class 4 Supply Meter of the Meter Read Frequency (in accordance with Section M5.9.1).

# 2 - GENERAL

## **DEFINED TERMS LISTING**

Amend paragraph the definition of "meter reading election" at page 35 thereof to reference TPD G2.2.12(c)

Amend paragraph the definition of "relevant classification" at page 51 thereof to reference TPD G2.2.12(a)