

**MODIFICATION 0813**

**REVISION OF VIRTUAL LAST RESORT USER AND CONTINGENT PROCUREMENT OF SUPPLIER DEMAND EVENT TRIGGERS**

**LEGAL TEXT - EXPLANATORY TABLE**

Reference	Explanation
<b>TRANSPORTATION PRINCIPAL DOCUMENT</b>	-
<b>SECTION D – OPERATIONAL BALANCING AND TRADING ARRANGEMENTS</b>	-
Amended paragraph 6.1.2	Extends definition of Relevant TSMPs (in respect of which contingent procurement of supplier demand rules in Section D6 apply) to include SMPs where the Registered User is a Premises Termination User following application of the new rules at Section G4.8.9.
<b>SECTION E – DAILY QUANTITIES, IMBALANCE AND RECONCILIATION</b>	-
Amended paragraph 10.1.1	Extends application of the VLR User rules in Section D10 to situations where a User is Premises Termination User following application of the new rules at Section G4.8.9.
Amended paragraph 10.1.2	Consequential, as above.
Amended paragraph 10.2.1	In the case of a Premises Termination User, it will not submit an Acquiring Trade Nomination (i.e. against the VLR User's Disposing Trade Nomination) and to make clear if it does it will have no effect.

Amended paragraph 10.2.2	Where the VLR User makes a Disposing Trade Nomination the quantity of gas will be treated as having been delivered by the Premises Termination User for the purposes of calculating the relevant supplier's Energy Balancing Charges; but the Premises Termination User's imbalance position will not be affected – it will be treated as having delivered no gas to the System and for the avoidance of doubt it is made clear the Premises Termination User has no rights to the gas comprised in what would otherwise be considered the matching Acquiring Trade Nomination.
<b>SECTION G – SUPPLY POINT REGISTRATION</b>	-
Amended paragraph 4.8.2	To extend the application of some of the supplier of last resort rules in Section G4.8 to situations where a User becomes a Premises Termination User.
Amended paragraph 4.8.3	Consequential, as above.
Amended paragraph 4.8.6	Consequential, as above.
Amended paragraph 4.8.7	Consequential, as above.
Amended paragraph 4.8.9	<p>Establishes the basis on which National Grid NTS may issue a User Premises Termination Notice.</p> <p>This is where:</p> <ul style="list-style-type: none"> <li>(i) the User is or becomes a designated person;</li> <li>(ii) as a consequence normal commercial transactions (e.g. offtake of gas, making available capacity) are prohibited under the Gas Act the Anti-Money Laundering Act and/or relevant regulations;</li> <li>(iii) National Grid NTS gives notice of the ending of the Code arrangements; and</li> <li>(iv) the Authority does not give Condition 11(18) Disapproval to such notice.</li> </ul>

New paragraph 4.8.10	To make clear how the words 'owned and controlled' in the regulations are to be interpreted so as to include direct and indirect ownership and control.
New paragraph 4.8.11	Defines the meaning of Premises Termination Date and Terminated Supply Point.
New paragraph 4.8.12	<p>Sets out the consequence effective from the Premises Termination Date of the giving to a User of a User Premises Termination Notice, being:</p> <ul style="list-style-type: none"> <li>(i) the Premises Termination User ceases to be the Registered User of the Terminated Supply Points;</li> <li>(ii) all relevant in-flight Supply Point registration processes involving the Premises Termination User lapse;</li> <li>(iii) allocation processes at SSMPs at which the Premises Termination User is one of the Registered Users are deemed amended;</li> <li>(iv) the Premises Termination User ceases to hold any LDZ Supply Point Capacity for Terminated Supply Points; and</li> <li>(v) the Premises Termination User ceases to hold rights in relation to its NTS Exit Capacity bookings or have gas offtake rights at NTS Supply Points.</li> </ul>
New paragraph 4.8.13	To make clear (without prejudice to rights in relation to the days prior to the Premises Termination Date) that no Offtake Reconciliation will take place in respect of Terminated Supply Points for days following the Premises Termination Date.
New paragraph 4.8.14	Permits National Grid NTS to inform relevant parties of the giving of a User Premises Termination Notice and to issue a Registration Block Notice effective from the Premises Termination Date.
New paragraph 4.8.15	Acknowledges the CDSP may take all necessary steps to give effect to the new rules and to suspend provision of CDSP Services under the DSC to the Premises Termination User.

New paragraph 4.8.16	To make clear the new Code rules are without prejudice to any other Code impacts flowing from the Gas Act, the Anti-Money Laundering Act and/or relevant regulations.
Amended paragraph 5.1.3	To extend situations where a User can cease to be the Registered User to include where the User becomes a Premises Termination User.
Amended paragraph 5.7.8	To allow CDSP to modify Shipper-Supplier Association Data to remove a Premises Termination User.
Amended paragraph 5.8.2	To allow CDSP to update Shipper-Transporter Association Data to remove a Premises Termination User.
Amended paragraph 5.8.3	Cross reference updated.
<b>DATA SERVICES CONTRACT</b>	-
<b>DSC TERMS AND CONDITIONS</b>	-
New Clause 16.7	To permit the CDSP to suspend provision of services to a customer under the DSC where the customer becomes a Premises Termination User.