

A NEW PARAGRAPH 10 OF EID B

Note:

Existing paragraph 10 of EID B will be renumbered 11 and the references to paragraph 10 in paragraphs 1.6.9(a), 10.1.1 and 10.4.1, shall be amended to refer to paragraph 11.

Existing paragraph 11 of EID B will be renumbered 12 and the references to paragraph 11 in paragraphs 11.1.1, 11.1.2 and 11.1.3, shall be amended to refer to paragraph 12.

10 CAPACITY CONVERSION

10.1 General

10.1.1 A User which holds Convertible Capacity at an Interconnection Point and is allocated Corresponding Bundled Capacity, may Convert an amount of that Convertible Capacity in accordance with this paragraph 10.

10.1.2 For the purposes of this Section B:

- (a) **“Conversion”** means a reduction in the Convertible Capacity held by a User in accordance with paragraph 10.4.1(a), and **“Converted”** and **“Convert”** shall be construed accordingly;
- (b) **“Conversion Deadline”** means 17:00 hours on the third Business Day after the Day on which the relevant Auction Closes;
- (c) **“Conversion Month”** means a period commencing at 05:00 hours on the first Gas Day beginning in a calendar month and ending at 05:00 hours on the first Gas Day beginning in the following calendar month;
- (d) **“Conversion Request”** means a User’s request to Convert Convertible Capacity in accordance with this paragraph 10;
- (e) **“Convertible Capacity”** means Available Unbundled Interconnection Point Capacity;
- (f) **“Corresponding Bundled Capacity”** Bundled Interconnection Point Capacity allocated in an Annual Yearly Auction, Annual Quarterly Auction or Rolling Monthly Auction at the Interconnection Point to which a Conversion Request relates.

10.2 Conversion Request

10.2.1 A Conversion Request shall specify:

- (a) the identity of the User making the request;
- (b) the Convertible Capacity in each Conversion Month which it wishes to Convert;
- (c) the Interconnection Point at which that Convertible Capacity and the Corresponding Bundled Capacity is held;

- (d) whether the Convertible Capacity is NTS Entry Capacity or NTS Exit (Flat) Capacity;
- (e) any reference number(s) given by the Capacity Platform Operator to the Auction(s) in which the Corresponding Bundled Capacity was allocated; and
- (f) the User's contact details for the request.

10.2.2 A User's Conversion Request is valid if:

- (a) it complies with the requirements in paragraph 10.2.1;
- (b) it is submitted no later than the Conversion Deadline;
- (c) it is to Convert Convertible Capacity over a period of a Conversion Month, or any number of Conversion Months;
- (d) it is to Convert an equal amount of Convertible Capacity on each Gas Day in each Conversion Month;
- (e) the Convertible Capacity requested to be Converted in each Conversion Month is equal to, or less than, the Convertible Capacity held by the User in the relevant Conversion Month at the Interconnection Point to which the Conversion Request relates;
- (f) the Convertible Capacity requested to be Converted in each Conversion Month is equal to, or less than, the Corresponding Bundled Capacity allocated to the User in the relevant Conversion Month; and
- (g) it is to Convert (i) NTS Entry Capacity and the Corresponding Bundled Capacity is also NTS Entry Capacity, or (ii) NTS Exit (Flat) Capacity and the Corresponding Bundled Capacity is also NTS Exit (Flat) Capacity.

10.2.3 A User may withdraw a Conversion Request at any time up to the Conversion Deadline.

10.3 Response to Conversion Request

10.3.1 National Grid NTS shall respond to a Conversion Request within three Business Days of having received it setting out the information set out in paragraph 10.2.1 (b) to (f) and the following:

- (a) whether the Conversion Request is valid under paragraph 10.2.2, in which case that the Conversion Request is accepted;
- (b) whether and in what respect the Conversion Request is invalid under paragraph 10.2.2 and whether National Grid NTS, in any event, accepts the Conversion Request; or
- (c) whether and in what respect the Conversion Request is invalid under paragraph 10.2.2, in which case that the Conversion Request is rejected and of no effect and, where the

Conversion Deadline has not already passed, an invitation to the User to submit a corrected Conversion Request.

10.4 Capacity Conversion

10.4.1 If a Conversion Request is accepted under paragraph 10.3.1(a) or (b), the following shall apply:

- (a) the User's Convertible Capacity shall be reduced in accordance with its request (with the effect that any Registered Unbundled Interconnection Point Capacity held by the User shall remain unchanged); and
- (b) National Grid NTS shall credit the User with an amount equal to the Reserve Price (but not the Auction Premium) paid by the User for the amount of the Corresponding Bundled Capacity in respect of which the Convertible Capacity is Converted.

OTHER CHANGES TO EID B:

1.1.1 This Section B provides for the basis on which System Capacity at Interconnection Points may be allocated to Users, bundled with capacity in an Interconnected System, and transferred, converted, or surrendered by or withdrawn from Users.

1.1.2 This Section B sets out:

- (a) general provisions in relation to Interconnection Point Capacity;
- (b) general rules for the holding of Auctions of Interconnection Point Capacity;
- (c) the basis for determining the amount of Interconnection Point Capacity made available in an Auction;
- (d) rules for Ascending Clock Auctions;
- (e) rules for Uniform Price Auctions;
- (f) the basis on which Interconnection Point Capacity may be Bundled;
- (g) the basis on which Interconnection Point Capacity may be Surrendered;
- (h) the basis on which Interconnection Point Capacity may be Withdrawn;
- (i) the basis on which System Capacity Transfers may be made in respect of Interconnection Point Capacity;
- (j) the basis on which Interconnection Point Capacity may be Converted;
- (k) modifications of certain other provisions of the Transportation Principal Document in relation to Interconnection Points.

1.1.3 In order to acquire, bundle, convert, surrender or transfer Interconnection Point Capacity under the provisions of this Section B, a User must have had assigned to it and hold an Energy Identification Code, which is an identification code issued by the central issuing office or any local issuing office under the Energy Identification Coding scheme established by the European Network of Transmission System Operators for Electricity (ENTSOE).

1.8.2 At the EID Implementation Date the provisions referred to in paragraph 1.78.1(a), (b), (c), (d) and (e) are the following paragraphs of TPD Section B:

3.1.1 The “**Allocable**” Interconnection Point Capacity in relation to an Auction of Firm Interconnection Point Capacity is the aggregate of the following amount of Interconnection Point Capacity which (at the Auction Information Time) ~~is~~:

(a) the Eligible Technical Interconnection Point Capacity (in accordance with paragraph 3.2); ~~or~~

(b) any Converted Convertible Capacity (in accordance with paragraph 10.4.1(a));

~~(b) any Interconnection Point Capacity which is~~ subject to a Surrender Offer (in accordance with paragraph 7), in the case of an

(c) Ascending Clock Auction; or

~~(c) any Interconnection Point Capacity which is~~ subject to a Withdrawal Offer (in accordance with paragraph 8), in the case of

(d) an Ascending Clock Auction; and or

~~(d)~~(e) any Additional Interconnection Point Capacity (in accordance with paragraph 3.3).

6.3.2 Where (other than in connection with a System Capacity Transfer of Bundled Interconnection Point Capacity) the Adjacent TSO notifies National Grid NTS that, under any provision of the Adjacent TSO Rulebook, a User (as IS User) will cease or has ceased (for any Day or consecutive Days) to hold any amount of Interconnected System Capacity which the Adjacent TSO records as bundled with Equivalent Interconnection Point Capacity, National Grid NTS will:

(a) compare what is notified by the Adjacent TSO with its record of Bundled Interconnection Point Capacity, and

(b) revise the record:

(a) by reducing the amount of Interconnection Point Capacity recorded as Bundled for the relevant Day(s) where and by the amount by which such reduction appears to National Grid NTS to be appropriate; and

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- (ii) unless there is a corresponding reduction in the User's Available Interconnection Point Capacity, by increasing the amount recorded as Unbundled by the same amount).