

# UNC MODIFICATION 0752 – LEGAL TEXT AND COMMENTARY

## A. COMMENTARY

This legal text amends TPD Section B by adding provisions for the auction of a new product - weekly NTS entry capacity (a list of consequential referencing changes is also included). It also adds these new weekly capacity auctions to the capacity table in TPD Section Y 2.2.1 so that for the purposes of calculating Transmission Services Charges under TPD Section Y 1.2.1 (a) (i), the Capacity Charges determined by these new weekly auctions and allocations are included. Furthermore it add “Weekly NTS Entry Capacity” to the list of defined terms in the General section of UNC.

Available Weekly NTS Entry Capacity will be the unsold capacity from the Monthly Entry Capacity auctions. Each weekly auction will run from 08:00 to 17:00 on D-10 where D is the first gas day of the calendar week, being a Monday. Weekly Entry Capacity will then be allocated at D-9. Users will be notified if their bids have been accepted after closing of the weekly auction on or before the start of the next Day (D-8). For a week which spans two Gas Years, Users will be notified of the Reserve Prices applicable to the time periods falling within each Gas Year within that week. ~~Users will be notified of the applicable reserve prices and the dates of each weekly auction 5 days before the auction opens (and 15 days ahead of the first gas day). Each auction will run from 08:00 to 17:00 on D-10 where D is the first gas day of the calendar week, being a Monday. Users will be notified if their bids have been accepted after closing of the weekly auction on or before the start of the next Day (D-8)~~

UNIFORM NETWORK CODE – TPD SECTION B PARAGRAPH 2.1 SHALL BE AMENDED AS MARKED UP BELOW:

## 2 NTS ENTRY CAPACITY

### 2.1 Introduction

2.1.1 Subject to the provisions of the Code, a User may deliver gas to the Total System at any System Entry Point.

2.1.2 Users may apply for and be registered as holding NTS Entry Capacity:

(a) as Quarterly NTS Entry Capacity pursuant to an auction in accordance with paragraph 2.2 and/or apply for, reserve and be Registered as holding NTS Entry Capacity as Quarterly NTS Entry Capacity under a PARCA pursuant to paragraph 1.14;

(b) as Monthly NTS Entry Capacity pursuant to an auction in accordance with paragraphs 2.2 and 2.3;

~~(b)~~(c) as Weekly NTS Entry Capacity pursuant to an auction in accordance with paragraphs 2.4;

~~(e)~~(d) as Daily NTS Entry Capacity pursuant to a bid under paragraph 2.54; and

~~(d)~~(e) as Daily Interruptible NTS Entry Capacity pursuant to a bid under paragraph 2.65; and

~~(e)~~(f) as Quarterly, Monthly, Weekly, Daily or Daily Interruptible NTS Entry Capacity (as the case may be) pursuant to an invitation in accordance with paragraph 2.1.14.

2.1.3 A User may not apply for or reserve under a PARCA pursuant to paragraph 1.14 or be registered as holding NTS Entry Capacity at an Aggregate System Entry Point in an amount less than 100,000 kWh/Day (the "**minimum eligible amount**").

2.1.4 In relation to an Aggregate System Entry Point:

(a) "**Quarterly NTS Entry Capacity**" is Firm NTS Entry Capacity which may be applied for, or reserved under a PARCA pursuant to paragraph 1.14 and registered as held (in a given amount) by a User for each Day in a particular calendar quarter;

(b) "Monthly NTS Entry Capacity" is Firm NTS Entry Capacity which may be applied for and registered as held (in a given amount) by a User for each Day in a particular calendar month;

~~(b)~~(c) "Weekly NTS Entry Capacity" is Firm NTS Entry Capacity which may be applied for and registered as held (in a given amount) by a User for each Day in a particular calendar week;

~~(e)~~(d) "Daily NTS Entry Capacity" is Firm NTS Entry Capacity which may be applied for and registered as held (in a given amount) by a User for a particular Day only; and

~~(d)~~(e) "Daily Interruptible NTS Entry Capacity" is Interruptible NTS Entry Capacity which may be applied for and registered as held (in a given amount) by a User for a particular Day only.

2.1.5 In respect of an Aggregate System Entry Point and in relation to a Day in a calendar month in a Formula Year:

(a) "**Obligated Entry Capacity**" is the amount of NTS Entry Capacity which National Grid NTS is required to make available to Users pursuant to National Grid NTS's Transporter's Licence as set out in National Grid NTS's Transportation Statement;

(b) "**Incremental NTS Entry Capacity**" is the amount of Firm NTS Entry Capacity (if any) in excess of the Unsold NTS Entry Capacity which National Grid NTS may (but shall not be required to) invite applications for pursuant to paragraphs 2.2 and 2.3 and which may be reserved as Quarterly NTS Entry Capacity under a PARCA pursuant to paragraph 1.14; and

(c) "**Unsold NTS Entry Capacity**" subject to EID Section E, paragraph 7.1.4, is the amount of Firm NTS Entry Capacity that National Grid NTS has an obligation to make available (in accordance with the procedures set out in this paragraph 2) to Users pursuant to Special Condition 5F of National Grid NTS's Transporter's Licence as, in the case of NTS Entry Capacity to be made available under paragraphs 2.2, 2.3, 2.4, -and 2.54 but not paragraph 2.65, set out in National Grid NTS's Transportation Statement, for the purposes of:

(i) paragraph 2.2, in relation to each Day in a calendar quarter (in the case of QSEC) or in a month (in the case of AMSEC);

~~(ii)~~ paragraph 2.3, in relation to each Day in a calendar month;

~~(ii)(iii)~~ paragraph 2.4, in relation to each Day in a calendar week;

~~(iii)(iv)~~ paragraph 2.54, in relation to a Day;

in each case minus Reserved Entry Capacity for the calendar quarter, calendar month, calendar week or Day in question.

2.1.6 For the purposes of the application of paragraph 2.76, the amount of Unsold NTS Entry Capacity in existence at a particular time will, unless expressly stated otherwise, be calculated by reference to a continuing obligation to make available Firm NTS Entry Capacity through the application of Special Condition 5F of National Grid NTS's Transporter's Licence prior to the time at which the amount of Unsold NTS Entry Capacity is to be ascertained.

2.1.7 For the purposes of this paragraph 2:

- (a) at any time, in respect of an Aggregate System Entry Point and in relation to a Day, the "System Entry Capability" is the amount (in kWh) or rate (in kWh/Day) (in each case consistent with the provisions of paragraph 2.1.9), determined by the Transporter at such time, as the maximum amount of gas which it will be feasible to take delivery on that Day at that Aggregate System Entry Point, or (as the case may be) the maximum rate at which it will be feasible to take delivery of gas on that Day or in the remaining part of that Day at that Aggregate System Entry Point;
- (b) **"Firm NTS Entry Capacity"** means Quarterly NTS Entry Capacity, Monthly NTS Entry Capacity and Daily NTS Entry Capacity which (without prejudice to Section 13.7) is not subject to curtailment and **"Interruptible NTS Entry Capacity"** means Daily Interruptible NTS Entry Capacity which is liable to be curtailed pursuant to paragraph 2.109;
- (c) a reference to the amount of a User's Available or Registered NTS Entry Capacity (of any class) at an Aggregate System Entry Point for a Day as **"Adjusted"**:
  - (i) pursuant to paragraph 2.98.4, is a reference to such amount as reduced pursuant to that paragraph;
  - (ii) pursuant to paragraph 2.109.4, is a reference to such amount as reduced pursuant to that paragraph; and
  - (iii) pursuant to paragraph 2.110.8, is a reference to such amount as determined pursuant to that paragraph; and
  - (iv) pursuant to paragraph 2.187.9 is a reference to such amount as reduced pursuant to that paragraph;

and a reference to such amount as **"Unadjusted"** pursuant to any such paragraph is a reference to such amount before and disregarding such reduction or determination;

- (d) a reference to the amount of a User's Available or Registered NTS Entry Capacity (of any class) at an Aggregate System Entry Point for a Day as **"Fully Adjusted"** is a reference to such amount as adjusted pursuant to paragraphs 2.98.4, 2.109.4, 2.110.8 and 2.187.9;
- (e) an **"invitation date"** is a day on which Users may make applications for NTS Entry Capacity in accordance with paragraphs 2.2 and 2.3;

- (f) a "**capacity bid**" is an application for NTS Entry Capacity in accordance with paragraph 2.2, 2.3, 2.4, [2.5](#) or 2.~~6~~<sup>5</sup>; ~~and~~
- (g) a "**calendar quarter**" is a period of three calendar months commencing 1 January, 1 April, 1 July and 1 October in any calendar year; [and](#)
- (h) a "**calendar week**" is a period of seven consecutive Days commencing on at 05:00 on a Monday.-

- 2.1.8 All determinations (as to quantities in which or rates at which gas is or is to be delivered to or accepted by the Total System at an Aggregate System Entry Point) to be made by the Transporter under this paragraph 2 will be made on the assumption that the requirement in Section 13.10.2 is complied with.
- 2.1.9 For the purposes of determining the NTS Entry Capacity available to the User for each hour in a Day:
- (a) where the NTS Entry Capacity is held in respect of the whole Day, the User shall hold in respect of each hour in the Day an amount of the NTS Entry Capacity equal to the NTS Entry Capacity held by the User, divided by 24; and
  - (b) where the NTS Entry Capacity is held for less than a Day, the User shall hold in respect of each remaining hour of the Day an amount of the NTS Entry Capacity equal to the NTS Entry Capacity, divided by the period (in hours) from the time the NTS Entry Capacity was first registered as being held by a User to the end of the Day.
- 2.1.10 References to rates at which gas is or may be delivered to or accepted by the System at an Aggregate System Entry Point are references to an instantaneous rate of flow, whether expressed in kWh/Day or other units.
- 2.1.11 For the avoidance of doubt, where a User ceases to be a User in accordance with Section V4.3, the NTS Entry Capacity which the User was registered as holding shall (with effect from the latest time by which a transferee election might be made) cease to be treated as held by any User, save to the extent to which any other User elects to be registered as holding such NTS Entry Capacity pursuant to paragraph 5.4.1(b) (a 'transferee election').
- 2.1.12 Any price to be specified by National Grid NTS or a User pursuant to any provision of this paragraph 2 or under a PARCA pursuant to paragraph 1.14 shall be expressed in pence/kWh/Day and specified to four decimal places.
- 2.1.13 For the purposes of this paragraph 2 and/or paragraph 1.14 (as applicable) in particular in the context of applications for NTS Entry Capacity or reservation of Quarterly NTS Entry Capacity under a PARCA in accordance with the further provisions of this paragraph 2 and/or paragraph 1.14 (as applicable), a reference to a 'Capacity Year + n' is a reference to the Capacity Year commencing on either the n anniversary of the first Day of the Capacity Year in which the applications are invited to be made or on the anniversary of the first Day of the Capacity Year in which the PARCA was agreed.
- 2.1.14 Discretionary NTS Entry Capacity
- (a) In addition to the other methods set out in Section B2.1.2 by which NTS Entry Capacity may be made available to Users, National Grid NTS shall be entitled to invite applications for NTS Entry Capacity to Users by such means as National Grid NTS may determine in its sole discretion. The timing of any such invitation, the quantities of NTS Entry Capacity included in such invitation ("**Discretionary NTS Entry Capacity**"), and the terms which shall apply to the offering of, application for, allocation of and use of such Discretionary NTS Entry Capacity shall also be determined by National Grid NTS in its sole discretion.
  - (b) Any Discretionary NTS Entry Capacity included in any invitation made by National Grid NTS pursuant to the provisions of paragraph (a) shall:

- (i) be subject to the application of a reserve price, which shall be equal to the prevailing reserve price last published pursuant to paragraph 2.2.1(a) (for each Aggregate System Entry Point at which Discretionary NTS Entry Capacity is offered); and
  - (ii) be available for a period of no more than one Capacity Year, such period being specified in the relevant invitation; and
  - (iii) be subject to the provisions of UNC Section V3.
- (c) Each User shall pay Capacity Charges for any Discretionary NTS Entry Capacity allocated to it, and such Capacity Charge shall be determined as the quantity of NTS Entry Capacity allocated multiplied by the bid price tendered multiplied by the relevant period for which such Discretionary NTS Entry Capacity has been allocated.
- (d) For the avoidance of doubt, any Discretionary NTS Entry Capacity allocated to a User pursuant to this paragraph 2.1.14 shall be included in the User's aggregate Available NTS Entry Capacity.
- (e) The bid prices offered by Users for Discretionary NTS System Entry Capacity shall be considered in the determination of System Entry Overrun Charge rates at the relevant Aggregate System Entry Point.
- (f) National Grid NTS will no later than
- (i) two (2) Business Days prior to the first day of the period to which the invitation relates, inform each User of those of its capacity bids that have been accepted, the amount of Discretionary NTS Entry Capacity which it is registered as holding for the relevant Aggregate System Entry Point and the period for which the Discretionary NTS Entry Capacity has been allocated); and
  - (ii) one (1) Business Day prior to the first day of the period to which the invitation relates, National Grid NTS will provide information to all Users with the information referred to in paragraph 2.1.54.2 in relation to Discretionary NTS System Entry Capacity.

**UNIFORM NETWORK CODE – TPD SECTION B PARAGRAPHS 2.2.6 AND 2.2.7 SHALL BE AMENDED AS MARKED UP BELOW:**

2.2.6 An application (a "**quarterly**" capacity bid) for Quarterly NTS Entry Capacity in respect of Capacity Year + 2 to Capacity Year + 16 (inclusive) shall specify:

- (a) the identity of the User;
- (b) the Aggregate System Entry Point;
- (c) the calendar year and calendar quarter for which Quarterly NTS Entry Capacity is applied for;

- (d) the amount (not less than the minimum eligible amount) of Quarterly NTS Entry Capacity applied for (in kWh/Day);
- (e) the minimum amount (not less than the minimum eligible amount) of Quarterly NTS Entry Capacity which the User is willing to be allocated for the purposes of paragraph 2.76.4; and
- (f) ~~the~~ the price (being either the reserve price or a step price as set out in National Grid NTS's Transportation Statement) in respect of which the User is applying for the amount of Quarterly NTS Entry Capacity.

2.2.7 An application (a "**monthly**" capacity bid) for Monthly NTS Entry Capacity in respect of Capacity Year Y and Capacity Year 1 shall specify:

- (a) the identity of the User;
- (b) the Aggregate System Entry Point;
- (c) the Capacity Year and calendar month for which Monthly NTS Entry Capacity is applied for;
- (d) the amount (not less than the minimum eligible amount) of Monthly NTS Entry Capacity applied for (in kWh/Day);
- (e) the minimum amount (not less than the minimum eligible amount) of Monthly NTS Entry Capacity which the User is willing to be allocated for the purposes of paragraph 2.87.2(e); and
- (f) the amount (the "**bid price**") which shall not be less than the reserve price which the User is willing to pay by way of Capacity Charge in respect of the Monthly NTS Entry Capacity applied for.

**UNIFORM NETWORK CODE – TPD SECTION B PARAGRAPH 2.2.16(G) SHALL BE AMENDED AS MARKED UP BELOW:.**

- (g) Following the submission of applications in relation to Aggregate System Entry Points paragraph 2.76 (other than paragraph 2.76.7) shall apply and National Grid NTS shall allocate NTS Entry Capacity and Users will be registered as holding Quarterly NTS Entry Capacity at the Aggregate System Entry Point in the amounts so allocated.

**UNIFORM NETWORK CODE – TPD SECTION B - INSERTION OF ANEW PARAGRAPH 2.4**

A new paragraph 2.4 as set out below shall be inserted into TPD Section B and the existing paragraph 2.4 shall renumbered to 2.5 with all subsequent paragraphs being renumbered and re-cross referenced accordingly.

#### **"2.4 Weekly NTS Entry Capacity auctions**

**2.4.1 Users may apply for Weekly NTS Entry Capacity in respect of an Aggregate System Entry Point for a calendar week in accordance with this paragraph 2.4.**

**2.4.2 An application (a "**weekly**" capacity bid) for Weekly NTS Entry Capacity shall specify:**

- (a) the identity of the User;**
- (b) the Aggregate System Entry Point;**

- (c) the calendar week for which the Weekly NTS Entry Capacity is applied for;
- (d) the amount (not less than the minimum eligible amount) of Weekly NTS Entry Capacity applied for;
- (e) the minimum amount (not less than the minimum eligible amount) of Weekly NTS Entry Capacity which the User is willing to be allocated for the purposes of paragraph 2.8.2(e); and
- (f) the amount (the "**bid price**"), which shall not be less than the Reserve Price which the User is willing to pay by way of Capacity Charge in respect of the Weekly NTS Entry Capacity applied for.

2.4.3 A weekly capacity bid:

- (a) may be submitted at any time between 08:00 and 17:00 on the tenth (10th) Day before the first Day for the calendar week in respect of which the Weekly NTS Entry Capacity is applied for; and
- (b) may, subject to paragraph 2.4.4, be withdrawn or amended at any time before Weekly NTS Entry Capacity is allocated in respect of such bid.

2.4.4 A weekly capacity bid may not be withdrawn during a WSEC capacity allocation period (irrespective of whether or not the weekly capacity bid is in relation to an Aggregate System Entry Point at which, for the purposes of the capacity allocation, there is Available Weekly Capacity) and where a User seeks to withdraw a bid during such period, National Grid NTS will notify the User that a WSEC capacity allocation period is current and National Grid NTS may, subject to paragraph 2.4.7, accept such weekly capacity bid.

2.4.5 In relation to each Aggregate System Entry Point and in respect of any calendar week a User may have, at any one time, up to but not more than twenty (20) weekly capacity bids which are capable of acceptance in accordance with this paragraph 2.4.

2.4.6 Where one or more Days in a calendar week falls within one Gas Year and the remaining consecutive Days in that calendar week fall in the immediately next following Gas Year, the Reserve Price applicable to each Gas Year will be levied to the number of days accordingly; and, -not later than 5 Days before a weekly WSEC invitation date ~~for Weekly NTS Entry Capacity~~ for a calendar week during which more than one Reserve Price shall apply pursuant to this paragraph 2.4.6, National Grid NTS will notify Users that a different Reserve Price will apply to each of the two different periods in that calendar week.

2.4.7 National Grid NTS shall reject a weekly capacity bid where:

- (a) the bid price is less than the published Reserve Price;
- (b) any other requirement of paragraphs 2.4.2, 2.4.3 and 2.4.5 is not complied with

and National Grid NTS may reject a weekly capacity bid in accordance with Section V3.

2.4.8 For each calendar week in respect of each Aggregate System Entry Point, where Available Weekly Capacity is available National Grid NTS will initiate a WSEC capacity allocation period.

2.4.9 Where National Grid NTS has initiated a WSEC capacity allocation period or for the purposes of paragraph 2.4.12, Weekly NTS Entry Capacity (up to the amount, if any, of the Available Weekly Capacity) will be allocated in accordance with paragraph 2.8.

2.4.10 Subject to paragraph 2.8.3, National Grid NTS will accept bids in respect of which Weekly NTS Entry Capacity is allocated in accordance with paragraph 2.8.2, and each User whose bid is so accepted will be registered as holding Weekly NTS Entry Capacity (in the amount so allocated) for the calendar week in respect of the Aggregate System Entry Point.

2.4.11 Where there is no Available Weekly Capacity in respect of an Aggregate System Entry Point for a calendar week, or the amount thereof is less than the minimum eligible amount, National Grid NTS will not accept any weekly capacity bids.

2.4.12 Weekly capacity bids will also be selected for acceptance in accordance with the System Management Principles.

2.4.13 National Grid NTS will accept weekly capacity bids selected pursuant to paragraph 2.8.2 or 2.4.12 and the amount of Available Weekly Capacity for each Day during that calendar week at the Aggregate System Entry Point will be decreased by the amount for which the bid was selected.

2.4.14 A weekly capacity bid is "available" where submitted and not withdrawn prior to the start of any WSEC capacity allocation period.

2.4.15 For the purposes of this paragraph 2.4:

(a) the "**available capacity rate**" in relation to an Aggregate System Entry Point is the rate (in kWh/hour) calculated as an amount of Weekly NTS Entry Capacity equal, as appropriate, to the Available Weekly Capacity, divided by the number of hours in the calendar week;

(b) the "**Available Weekly Capacity**" in relation to an Aggregate System Entry Point, is an amount of Weekly NTS Entry Capacity equivalent to the sum of Unsold NTS Entry Capacity (which was available for such calendar in accordance with paragraph 2.3 (if any)) which remains available following the application of paragraph 2.3 in respect of each Day in the calendar week in which such Day falls and any additional Weekly NTS Entry Capacity that National Grid NTS may in its sole discretion choose to make available for the calendar week (if any);

(c) the "**Weekly NTS Entry Capacity**" in respect of an Aggregate System Entry Point and a calendar week, is an amount of Weekly NTS Entry Capacity equal to:

---

$$A + B$$

where

A is the Unsold NTS Entry Capacity (if any) for the calendar week;  
and

B is the Incremental NTS Entry Capacity (if any) for the calendar week;

(d) the "**WSEC invitation date**" means the tenth (10th) Day before the first Day for the calendar week in respect of which the Weekly NTS Entry Capacity is applied for;

- (e) a "WSEC capacity allocation" is the allocation of Weekly NTS Entry Capacity during a WSEC capacity allocation period in accordance with paragraph 2.8;
- (f) a "WSEC capacity allocation period" is the period between 08:00 and 17:00 on the ninth (9th) Day before the first Day for the calendar week in respect of which the Weekly NTS Entry Capacity is applied for;

**UNIFORM NETWORK CODE – TPD SECTION B PARAGRAPHS 2.4 TO 2.8 SHALL  
RENUMBERED BE AMENDED AS MARKED UP BELOW:**

**2.54 Daily NTS Entry Capacity**

2.54.1 Users may apply for Daily NTS Entry Capacity in respect of an Aggregate System Entry Point for a Day in accordance with this paragraph 2.54.

2.54.2 An application (a "daily" capacity bid) for Daily NTS Entry Capacity shall specify:

- (a) the identity of the User;
- (b) the Aggregate System Entry Point;
- (c) the Day for which the Daily NTS Entry Capacity is applied for;
- (d) the amount (not less than the minimum eligible amount) of Daily NTS Entry Capacity applied for;
- (e) the minimum amount (not less than the minimum eligible amount) of Daily NTS Entry Capacity which the User is willing to be allocated for the purposes of paragraph 2.87.2(e);
- (f) the amount (the "**bid price**"), which shall not be less than the reserve price which the User is willing to pay by way of Capacity Charge in respect of the Daily NTS Entry Capacity applied for; and
- (g) whether such bid is a fixed or reducing daily capacity bid.

2.54.3 A daily capacity bid:

- (a) may be submitted at any time from the 7th Day before the Gas Flow Day until 01:00 hours on the Day for which the Daily NTS Entry Capacity is applied for; and
- (b) may, subject to paragraph 2.54.4, in the case of a fixed bid be withdrawn or amended and in the case of a reducing bid withdrawn, at any time before Daily NTS Entry Capacity is allocated in respect of such bid.

2.54.4 A daily capacity bid may not be withdrawn during a capacity allocation period (irrespective of whether or not the daily capacity bid is in relation to an Aggregate System Entry Point at which, for the purposes of the capacity allocation, there is Available Daily Capacity) and where a User seeks to withdraw a bid during such period, National Grid NTS will notify the User that a capacity allocation period is current and National Grid NTS may, subject to paragraph 2.54.6, accept such daily capacity bid.

2.54.5 In relation to each Aggregate System Entry Point and in respect of any Day (or part of any such Day) a User may have, at any one time, up to but not more than twenty (20)

daily capacity bids which are capable of acceptance in accordance with this paragraph 2.54.

2.54.6 National Grid NTS shall reject a daily capacity bid where:

- (a) the bid price is less than the reserve price;
- (b) any other requirement of paragraph 2.54.2 is not complied with and National Grid NTS may reject a daily capacity bid in accordance with Section V3.

2.54.7 For each Day (or part of each such Day) in respect of each Aggregate System Entry Point, where Available Daily Capacity is available National Grid NTS will initiate a capacity allocation period. For the avoidance of doubt, where Daily NTS Entry Capacity in respect of an Aggregate System Entry Point is applied for on the Day for which such Daily NTS Entry Capacity is required, National Grid NTS will initiate a capacity allocation period on each of the next hour bars falling thereafter, until such daily capacity bid is no longer available in accordance with 2.54.14, up to and including 01:00 hours on such Day where Available Daily Capacity is available at that Aggregate System Entry Point.

2.54.8 Where National Grid NTS has initiated a capacity allocation period or for the purposes of paragraph 2.54.11, Daily NTS Entry Capacity (up to the amount, if any, of the Available Daily Capacity) will be allocated in accordance with paragraph 2.87.

2.54.9 Subject to paragraph 2.87.3, National Grid NTS will accept bids in respect of which Daily NTS Entry Capacity is allocated in accordance with paragraph 2.87.2, and each User whose bid is so accepted will be registered as holding Daily NTS Entry Capacity (in the amount so allocated) for the Day in respect of the Aggregate System Entry Point.

2.54.10 Where there is no Available Daily Capacity in respect of an Aggregate System Entry Point for a Day, or the amount thereof is less than the minimum eligible amount, National Grid NTS will not accept any daily capacity bids.

2.54.11 Daily capacity bids will also be selected for acceptance in accordance with the System Management Principles.

2.54.12 National Grid NTS will accept daily capacity bids selected pursuant to paragraph 2.87.2 or 2.54.11 and the amount of Available Daily Capacity for the Day at the Aggregate System Entry Point will be decreased by the amount for which the bid was selected.

2.54.13 For the purposes of this paragraph 2.54:

- (a) the "**Available Daily Capacity**" in relation to an Aggregate System Entry Point, is an amount of Daily NTS Entry Capacity equivalent to the sum of Unsold NTS Entry Capacity (which was available for such Day in accordance with paragraph 2.3 (if any)) which remains available following the application of paragraph 2.3 in respect of each Day in the calendar month in which such Day falls or which remains available following the application of paragraph 2.4 in respect of each Day in the calendar week in which such Day falls and any additional Daily NTS Entry Capacity that National Grid NTS may in its sole discretion choose to make available for the Day (if any);
- (b) the "bid effective time" is the time on the hour in relation to a daily capacity bid being the later of:
  - (i) 05:00 hours on the Gas Flow Day; or

- (ii) the time falling no earlier than 60 minutes after Daily NTS Entry Capacity has been allocated in respect of such bid;
- (c) a "**capacity allocation period**" is the period of 15 minutes, in which National Grid NTS conducts capacity allocation at an Aggregate System Entry Point for a Day, and which subject to there being Available Daily Capacity and available daily capacity bids at such time:
  - (i) first commences at 13:00 hours on the Preceding Day to that for which the Daily NTS Entry Capacity is applied for;
  - (ii) commences on any hour bar falling thereafter up to and including 01:00 hours on the Day for which the Daily NTS Entry Capacity is applied for (but not thereafter);
- (d) a "**capacity allocation**" is the allocation of Daily NTS Entry Capacity during a capacity allocation period in accordance with paragraph 2.87;
- (e) a "**fixed bid**" is a daily capacity bid in relation to which the Daily NTS Entry Capacity applied for is not conditional on the bid effective time and a "**reducing bid**" is a daily capacity bid in relation to which the amount of Daily Entry Capacity applied for is determined as:

$$(DSEC / BET) * N$$

where:

DSEC is the amount of Daily NTS Entry Capacity applied for when the bid was first submitted;

BET commencing from the earliest bid effective time in respect of such bid, the number of hours remaining on the Gas Flow Day;

N the number of hours remaining from the actual bid effective time were Daily NTS Entry Capacity to be allocated in respect of such a bid;

- (f) the "**reserve price**" shall mean:
  - (i) in respect of Daily NTS Entry Capacity applied for and allocated prior to 05:00 on the Day for which it was applied for, the reserve price for Unsold NTS Entry Capacity (in accordance with National Grid NTS's Transportation Statement); or
  - (ii) in respect of Daily NTS Entry Capacity applied for and allocated after 05:00 hours on the Day for which it was applied for, zero.

2.54.14 A daily capacity bid is "available" where:

- (a) submitted and not withdrawn prior to the start of any capacity allocation period; and
- (b) the bid effective time is later than 05:00 on the Gas Flow Day, the implied capacity rate is less than or equal to the available capacity rate at the relevant Aggregate System Entry Point

and for the avoidance of doubt, where Daily NTS Entry Capacity is allocated in respect of a bid such bid shall be extinguished and no longer be available for the purposes of paragraph 2.87.

2.54.15 For the purposes of this paragraph 2.54:

- (a) the **"available capacity rate"** in relation to an Aggregate System Entry Point is the rate (in kWh/hour) calculated as an amount of Daily NTS Entry Capacity equal, as appropriate, to the Available Daily Capacity, divided by the number of hours remaining in the Day following the capacity allocation effective time;
- (b) the **"capacity allocation effective time"** is:
  - (i) where the capacity allocation period ends prior to 03:00 hours on the Preceding Day, 05:00 on the Gas Flow Day;
  - (ii) the hour bar following the next hour bar falling after the end of a capacity allocation period;
- (c) the **"implied capacity rate"** in relation to a:
  - (i) fixed bid, is the rate (in kWh/hour), calculated as the amount of Daily NTS Entry Capacity in respect of which the bid was made divided by the number of hours remaining in the Day were Daily NTS Entry Capacity to be allocated in respect of such bid;
  - (ii) reducing bid, is the rate (in kWh/hour) calculated as the amount of Daily NTS Entry Capacity in respect of which the bid was made divided by the number of hours remaining in the Day from the hour bar following the hour bar next falling after submission of such bid.

## **2.65 Daily Interruptible NTS Entry Capacity**

2.65.1 Users may apply for Daily Interruptible NTS Entry Capacity in respect of an Aggregate System Entry Point for a Day in accordance with this paragraph 2.65.

2.65.2 An application (a **"daily interruptible"** capacity bid) for Daily NTS Entry Capacity pursuant to this paragraph 2.65 shall specify:

- (a) the identity of the User;
- (b) the Aggregate System Entry Point;
- (c) the Day for which the Daily Interruptible NTS Entry Capacity is applied for;
- (d) the amount (not less than the minimum eligible amount) of Daily Interruptible NTS Entry Capacity applied for;
- (e) the minimum amount (not less than the minimum eligible amount) of Daily Interruptible NTS Entry Capacity which the User is willing to be allocated for the purposes of paragraph 2.87.2(e); and the amount (the **"bid price"**), which shall not be less than the reserve price which the User is willing to pay by way of Capacity Charge in respect of the Daily Interruptible NTS Entry Capacity applied for.

2.65.3 A daily interruptible capacity bid:

- (a) may be submitted at any time from the 7th Day before the Gas Flow Day until 13:00 hours on the Preceding Day; and
- (b) may be withdrawn or amended until, but not after, 13:00 hours on the Preceding Day.

2.65.4 For each Day, in respect of each Aggregate System Entry Point:

- (a) National Grid NTS will notify Users of the amount of Available Interruptible Capacity by not later than 12:00 hours on the Preceding Day; and
- (b) Daily Interruptible NTS Entry Capacity (up to the amount if any of the Available Interruptible Capacity) will be allocated pursuant to daily interruptible capacity bids in accordance with paragraph 2.87.

2.65.5 In relation to each Aggregate System Entry Point and in respect of any Day a User may have, at any one time, up to but not more than 20 daily interruptible capacity bids which are capable of acceptance in accordance with paragraph 2.87.

2.65.6 National Grid NTS will reject a daily interruptible capacity bid where:

- (a) the bid price is less than the reserve price;
- (b) any other requirement of paragraph 2.65.2 is not complied with

and National Grid NTS may reject a daily interruptible capacity bid in accordance with Section V3.

2.65.7 Subject to paragraph 2.87.3, National Grid NTS will accept bids in respect of which Daily Interruptible NTS Entry Capacity is allocated in accordance with paragraph 2.87.2, and each User whose bid is so accepted will be registered as holding Daily Interruptible NTS Entry Capacity (in the amount so allocated) for the Day in respect of the Aggregate System Entry Point.

2.65.8 Where there is no Available Interruptible Capacity in respect of an Aggregate System Entry Point for a Day, or the amount thereof is less than the minimum eligible amount, National Grid NTS will not accept any daily interruptible capacity bids.

2.65.9 National Grid NTS will, not later than 15:00 hours on the Preceding Day, inform each User of those of its daily interruptible capacity bids which have been accepted and the amount of Daily Interruptible NTS Entry Capacity which it is registered as holding pursuant to each such accepted bid.

2.65.10 For the purposes of this paragraph 2.65 the "**Available Interruptible Capacity**" in respect of an Aggregate System Entry Point for any Day is:

- (a) an amount of NTS Entry Capacity equal to the daily average unutilised firm capacity; and
- (b) an amount of NTS Entry Capacity (if any) additional to that in (a) which National Grid NTS determines, in its sole discretion, shall be made available.

2.65.11 The "**daily average unutilised firm capacity**" in respect of any relevant period in relation to an Aggregate System Entry Point is an amount of NTS Entry Capacity equal to:

$$\text{AUC} / 30$$

where:

AUC is the aggregate amount, for each relevant day, by which the Firm NTS Entry Capacity at the Aggregate System Entry Point held by Users in aggregate exceeds the sum of the Entry Point Daily Quantity Delivered for each System Entry Point comprised in the Aggregate System Entry Point

and a **"relevant day"** is each of the thirty (30) Days up to (and including) the Day falling seven (7) Days before the first Day in any relevant period and **"relevant period"** is a period of seven (7) consecutive Days .

## **2.76 Allocation: Quarterly NTS Entry Capacity**

2.76.1 Following an annual invitation and in relation to an Aggregate System Entry Point and a calendar quarter where the Reserve Price Bid Amount:

- (a) is equal to or less than the Unsold NTS Entry Capacity, paragraph 2.76.2 will apply;
- (b) is greater than the Unsold NTS Entry Capacity, paragraph 2.76.3 will apply (other than where the circumstances in paragraph 2.76.4 exist in which case such paragraph shall apply).

2.76.2 Where this paragraph 2.76.2 applies pursuant to paragraph 2.66.1:

- (a) Quarterly NTS Entry Capacity will be allocated to each quarterly capacity bid (excluding any quarterly capacity bid rejected pursuant to paragraph 2.2.11) in the amount of Quarterly NTS Entry Capacity applied for; and
- (b) the User agrees to pay by way of NTS Entry Capacity Charges for the Quarterly NTS Entry Capacity allocated in accordance with paragraph (a) the applicable reserve price for the calendar quarter.

2.76.3 Where this paragraph 2.76.3 applies pursuant to paragraph 2.76.1, subject to paragraph 2.76.4:

- (a) Quarterly NTS Entry Capacity will be allocated to each quarterly capacity bid in the relevant step price group or the reserve price (as the case may be) (in each case excluding any quarterly capacity bid rejected pursuant to paragraph 2.2.11) in the amount of Quarterly NTS Entry Capacity applied for; and
- (b) the User agrees to pay by way of NTS Entry Capacity Charges for the Quarterly NTS Entry Capacity allocated in accordance with paragraph (a) the step price or the reserve price (as the case may be) corresponding to the relevant step price group for the calendar quarter.

2.76.4 In the event that there is no relevant step price group the Actual Available NTS Entry Capacity will be allocated to each quarterly capacity bid:

- (a) where paragraph 2.2.10(a) applies, in the step price group for which Users specified the highest step price when applying for Quarterly NTS Entry Capacity;
- (b) where paragraph 2.2.10(b) applies, in the step price group for which the incremental capacity amount which is equal to the Actual Available Aggregate NTS Entry Capacity

(in each case excluding any quarterly capacity bid rejected pursuant to paragraph 2.2.11) pro rata the amount applied for (provided that where the amount to be allocated is less than the minimum amount specified in the quarterly capacity bid, the bid will be disregarded (and have no effect) and a revised allocation will be made between the quarterly capacity bids in accordance with this paragraph).

2.76.5 For the purposes of this paragraph 2.76, and in respect of an Aggregate System Entry Point in relation to a calendar quarter:

- (a) **"Actual Available NTS Entry Capacity"** is, following an annual invitation, an amount of Quarterly NTS Entry Capacity equal to the sum of:
  - (i) Unsold NTS Entry Capacity (as determined prior to the annual invitation);
  - (ii) any additional Quarterly NTS Entry Capacity which NTS is required to make available pursuant to the Entry Capacity Release Methodology Statement following the submission of quarterly capacity bids in response to the annual invitation; and
  - (iii) any additional Quarterly NTS Entry Capacity which National Grid NTS in its sole discretion determines to make available to Users;
- (b) the **"relevant step price group"** is:
  - (i) where a step price group quantity is exactly equal to the Actual Available NTS Entry Capacity, the step price group in respect of which the step price group quantity is exactly equal to the Actual Available NTS Entry Capacity at the step price in respect of the Actual Available NTS Entry Capacity; and
  - (ii) where paragraph (i) above is not applicable and paragraph 2.2.10(a) applies, the step price group, when considering the incremental quantities specified in the annual invitation in ascending order, in respect of which the step price group quantity is first equal to or less than the Actual Available NTS Entry Capacity; and
  - (iii) where paragraph (i) above is not applicable and paragraph 2.2.10(b) applies, the step price group or those bids at the reserve price (as the case may be), when considering the step prices and the reserve price specified in the annual invitation in descending order, in respect of which the step price group quantity or the Reserve Price Bid Amount is last equal to or less than the Actual Available NTS Entry Capacity;

- (c) the **"Reserve Price Bid Amount"** is, in relation to an annual invitation, the aggregate amount of Quarterly NTS Entry Capacity applied for pursuant to quarterly capacity bids in respect of which different Users specified a price other than a step price when applying for Quarterly NTS Entry Capacity;
- (d) a **"step price group"** are those quarterly capacity bids in respect of which different Users specified the same step price when applying for Quarterly NTS Entry Capacity; and
- (e) the **"step price group quantity"** is the aggregate amount of Quarterly NTS Entry Capacity applied for by Users pursuant to quarterly capacity bids comprised in a step price group; and
- (f) the **"Stability Group"** is the step price group, when considering the incremental quantities specified in the annual invitation in ascending order, in respect of which the step price group quantity is first equal to or less than the incremental quantities specified in the annual invitation in ascending order.

2.76.6 National Grid NTS will accept quarterly capacity bids in respect of which Quarterly NTS Entry Capacity is allocated in accordance with paragraphs 2.76.2, 2.76.3 and 2.76.4, and each User whose bid is so accepted will be registered as holding Quarterly NTS Entry Capacity (in the amount so allocated) for the relevant calendar quarter in respect of the Aggregate System Entry Point.

2.76.7 National Grid NTS will, not later than:

- (a) two months following the last annual invitation date in a Capacity Year inform each User of those of its quarterly capacity bids which have been accepted and the amount of Quarterly NTS Entry Capacity which it is registered as holding for each calendar quarter pursuant to each such accepted quarterly capacity bid; and
- (b) twenty four (24) hours after the time at which National Grid NTS notifies Users in accordance with paragraph (a) notify all Users in respect of each calendar quarter in accordance with paragraph 2.154.2.

2.76.8 Where an amount of NTS Entry Capacity became Registered pursuant to paragraph 1.14, the User or Nominated User(s) will, on the date specified in the PARCA, be registered as holding that amount of NTS Entry Capacity specified in the PARCA and/or the confirmed notices issued pursuant to paragraph 1.14.5.

## **2.87 Allocation: Monthly, Weekly, Daily and Daily Interruptible NTS Entry Capacity**

2.87.1 Following the submission of monthly capacity bids, weekly capacity bids, daily capacity bids and daily interruptible capacity bids, NTS Entry Capacity will be allocated for a relevant short term period in accordance with this paragraph 2.87.

2.87.2 For a relevant short term period, NTS Entry Capacity in respect of an Aggregate System Entry Point will be allocated pursuant to capacity bids submitted in respect of such short term period as follows:

- (a) all capacity bids submitted in respect of the relevant short term period (excluding any bid rejected pursuant to paragraph 2.2.11, 2.4.7, 2.54.6 or 2.65.6) will be ranked in order of bid price (the highest price ranking first) save that in the case of monthly capacity bids made pursuant to paragraph 2.2.4 the ranking will be

made in respect of each relevant annual invitation date;

- (b) in the case of monthly capacity bids made pursuant to paragraph 2.2.4, the Available NTS Entry Capacity for the calendar month;
  - (i) in the case of monthly capacity bids made pursuant to paragraph 2.2.4, the Available Monthly Capacity for the relevant annual invitation date for the calendar month;
  - (ii) in the case of weekly capacity bids made pursuant to paragraph 2.4., the Available Weekly Capacity; and
  - ~~(ii)~~(iii) in the case of daily capacity bids made pursuant to paragraph 2.54.1, the Available Daily Capacity; and
  - ~~(iii)~~(iv) in the case of daily interruptible capacity bids made pursuant to paragraph 2.65.1, the Available Interruptible Capacity;
- (c) subject to paragraphs (d) and (e) and paragraph 2.87.3, where the amount of NTS Entry Capacity applied for under a bid exceeds the amount (the "**remaining unallocated amount**") of the relevant capacity remaining unallocated after allocation to higher priced bids, the User will be allocated an amount equal to the remaining unallocated amount;
- (d) subject to paragraph (e) and paragraph 2.87.3, where each of two or more bids ("**equal priced bids**") specifies the same bid price, and the amount of relevant capacity remaining applied for in aggregate under such bids exceeds the remaining unallocated amount, the remaining unallocated amount will be allocated pro rata the amounts applied for in each such bid;
- (e) where the amount to be allocated in respect of a bid pursuant to paragraph (c) or (d) is less than the minimum amount specified in the capacity bid, the bid will be disregarded (and of no effect), and a revised allocation will be made between remaining equal price bid(s) under paragraph (d), or (as the case may be) an allocation made in respect of the next priced bid.

2.87.3 Where the amount to be allocated in respect of any bid pursuant to paragraph 2.87.2 is less than the minimum eligible amount, National Grid NTS will not accept that or any further capacity bids under, as appropriate, paragraphs 2.2, 2.4, 2.54 or 2.65.

2.87.4 Subject to paragraph 2.87.2, National Grid NTS will accept bids in respect of which NTS Entry Capacity is allocated in accordance with paragraph 2.87.2, and each User whose bid is so accepted will be registered as holding NTS Entry Capacity (in the amount so allocated) for the relevant short term period in respect of the Aggregate System Entry Point.

2.87.5 Each User who applies for NTS Entry Capacity for a relevant short term period shall tender in respect of each capacity bid a bid price (in accordance with paragraph 2.2.7(f), 2.4.2(f), 2.54.2(f) or 2.65.2(f)) and agrees by making such application to pay by way of NTS Entry Capacity Charges the relevant bid price for the relevant short term period in respect of the NTS Entry Capacity allocated in accordance with this paragraph 2.87 pursuant to such capacity bid.

2.87.6 For the purposes of this paragraph 2.87:

- (a) "**relevant short term period**" means:

- (i) in the case of an annual invitation under paragraph 2.2, the relevant calendar month; ~~and~~
- (ii) in the case of a weekly invitation under paragraph 2.4, the relevant calendar week; and
- (iii) for the purposes of paragraphs 2.54 and 2.65, the relevant Day; and
- (b) **"relevant capacity remaining"** is, for the purposes of an allocation in accordance with paragraph 2.87.2 following applications made under:
  - (i) paragraph 2.2.5, Monthly NTS Entry Capacity;
  - ~~(i)~~(ii) paragraph 2.4.1, Weekly NTS Entry Capacity;
  - ~~(ii)~~(iii) paragraph 2.54.1, Daily NTS Entry Capacity; and
  - (iv) paragraph 2.65.1, Daily Interruptible NTS Entry-Capacity.

2.87.7 National Grid NTS will:

- (a) in respect of Monthly NTS Entry Capacity allocated in respect of Capacity Year Y not later than one month following the final date on which applications for Monthly NTS Entry Capacity could be made, inform each User of those of its monthly capacity bids which have been accepted and the amount of Monthly NTS Entry Capacity which it is registered as holding for each calendar month in Capacity Year Y pursuant to each such accepted monthly capacity bid;
- (b) in respect of Monthly NTS Entry Capacity allocated in respect of Capacity Year 1 not later than two months following the final date on which applications for Monthly NTS Entry Capacity could be made, inform each User of those of its monthly capacity bids which have been accepted and the amount of Monthly NTS Entry Capacity which it is registered as holding for each calendar month in Capacity Year 1;
- (c) after a WSEC capacity allocation of Weekly NTS Entry Capacity and on or before the eighth (8<sup>th</sup>) Day before the first Day for the calendar week in respect of which the Weekly NTS Entry Capacity is applied for ~~but not later than the next Day~~, inform each User of those of its capacity bids which have been accepted and the amount of Weekly NTS Entry Capacity which it is registered as holding pursuant to each such accepted capacity bid;
- ~~(e)~~(d) one (1) hour after a capacity allocation of Daily NTS Entry Capacity and Daily Interruptible NTS Entry Capacity inform each User of those of its capacity bids which have been accepted and the amount of Daily NTS Entry Capacity and Daily Interruptible NTS Entry Capacity which it is registered as holding pursuant to each such accepted capacity bid; and
- ~~(d)~~(e) twenty four (24) hours after the time at which National Grid NTS notifies Users in accordance with paragraph (a), (b), (c) and ~~(d)~~ notify all Users in respect of each relevant short term period in accordance with paragraph 2.154.2.

## 2.98 Capacity Constraint Management

2.98.1 National Grid NTS may, for the purposes of Capacity Management:

- (a) initiate a capacity allocation period in accordance with the System Management Principles; and

- (b) undertake Capacity Management in accordance with the System Management Principles (which may include the acceptance of daily capacity offers on any Day at an Aggregate System Entry Point in such aggregate amounts as is consistent with the System Management Principles).

2.98.2 For the purposes of the Code:

- (a) **"Capacity Management"** means, in relation to an Aggregate System Entry Point and in relation to any Day:
  - (i) the entering into of a Capacity Management Agreement by National Grid NTS; and/or
  - (ii) the curtailment of Interruptible NTS Entry Capacity in accordance with paragraphs 2.9; and/or
  - (iii) the acceptance by National Grid NTS of daily capacity offers submitted by Users in accordance with paragraph 2.110

in each case in accordance with the System Management Principles (and this paragraph 2);

- (b) **"Capacity Management Charges"** are all amounts payable by National Grid NTS to a User pursuant to a Capacity Management Agreement and include Capacity Surrender Charges; and
- (c) a **"Capacity Management Agreement"** is any form of agreement (or mechanism) identified in the statement to be prepared and published by National Grid NTS pursuant to Special Condition 8A of National Grid NTS's Transporter's Licence which may be utilised by National Grid NTS and pursuant to which National Grid NTS may secure the surrender of Firm NTS Entry Capacity by Users for the purposes of the management of a capacity constraint.

2.98.3 National Grid NTS may enter into a Capacity Management Agreement with a User.

2.89.4 Where pursuant to the terms of a Capacity Management Agreement a User surrenders Firm NTS Entry Capacity at an Aggregate System Entry Point in relation to a Day, the amount of the User's Available Firm NTS Entry Capacity at the Aggregate System Entry Point shall be reduced by the amount surrendered by the User pursuant to the terms of the Capacity Management Agreement.

2.98.5 Capacity Surrender Charges will be invoiced and payable in accordance with Section S.

2.98.6 National Grid NTS shall for the purposes of the management of a capacity constraint take such steps as are in accordance with the System Management Principles; it however being acknowledged that the System Management Principles do not form part of, and are not incorporated into, and are not binding upon National Grid NTS pursuant to, the Code.

2.98.7 For the avoidance of doubt, National Grid NTS shall not be under any obligation pursuant to paragraphs 2.2, 2.3, 2.4, 2.5, 2.6 or any other provision of this Section B2 to make available to Users NTS Entry Capacity surrendered by Users pursuant to the terms of a Capacity Management Agreement.

2.98.8 For the purposes of paragraph 2.98.9 below, the following words shall have the following meanings:

- (a) **"Forward Agreement"** means a Capacity Management Agreement (entered into following the issue of a Tender Invitation Notice) pursuant to which a User surrenders Firm NTS Entry Capacity to National Grid NTS over a forward

period of days (but, for the avoidance of doubt, shall not include an agreement made pursuant to the provisions of paragraph 2.110);

- (b) **"Option Agreement"** means a Capacity Management Agreement (entered into following the issue of a Tender Invitation Notice) pursuant to which a User grants an option to National Grid NTS upon the exercise of which National Grid NTS may accept the surrender of Firm NTS Entry Capacity (but, for the avoidance of doubt, shall not include an agreement made pursuant to the provisions of paragraph 2.110);
- (c) **"Relevant Forward Combination"** means a specific combination of Aggregate System Entry Point and forward delivery period as set out in a valid tender offer submitted to National Grid NTS pursuant to a Tender Invitation Notice;
- (d) **"Relevant Option Combination"** means a specific combination of Aggregate System Entry Point and option exercise period as set out in a valid tender offer submitted to National Grid NTS pursuant to a Tender Invitation Notice; and
- (e) **"Tender Invitation Notice"** means a notice issued by National Grid NTS inviting Users to submit a tender offer for a Forward Agreement or an Option Agreement (as the case may be).

## 2.98.9

- (a) Where, in respect of a Relevant Forward Combination and pursuant to a Tender Invitation Notice, National Grid NTS enters into Forward Agreement(s) with Users after the date of implementation of the modification proposal giving effect to this paragraph (a), it shall publish on the Business Day following that on which it enters into such Forward Agreement(s) and in respect of each Gas Flow Day in the relevant forward delivery period:
  - (i) the volume weighted average price in respect of all valid offers received by National Grid NTS for the surrender of Firm NTS Entry Capacity for that Relevant Forward Combination pursuant to that Tender Invitation Notice;
  - (ii) the aggregate quantity of Firm NTS Entry Capacity for which valid offers to surrender were received by National Grid NTS for that Relevant Forward Combination pursuant to that Tender Invitation Notice;
  - (iii) the minimum price offered by Users in valid offers for the surrender of Firm NTS Entry Capacity for that Relevant Forward Combination pursuant to that Tender Invitation Notice;
  - (iv) the maximum price offered by Users in valid offers for the surrender of Firm NTS Entry Capacity for that Relevant Forward Combination pursuant to that Tender Invitation Notice;
  - (v) in respect of such Forward Agreement(s), the volume weighted average price for the surrender of Firm NTS Entry Capacity pursuant to such agreements;
  - (vi) in respect of such Forward Agreement(s), the aggregate quantity of Firm NTS Entry Capacity that was surrendered pursuant to such agreements;

- (vii) in respect of such Forward Agreement(s), the minimum price paid for the surrender of Firm NTS Entry Capacity pursuant to such agreements; and

(viii) in respect of such Forward Agreement(s), the maximum price paid for the surrender of Firm NTS Entry Capacity pursuant to such agreements.

- (b) Where, in respect of a Relevant Option Combination and pursuant to a Tender Invitation Notice, National Grid NTS enters into Option Agreement(s) with Users after the date of implementation of the modification proposal giving effect to this paragraph (b), it shall publish on the Business Day following that on which it enters into such Option Agreement(s):
- (i) the volume weighted average strike price in respect of all valid offers received by National Grid NTS for the surrender of Firm NTS Entry Capacity for that Relevant Option Combination pursuant to the Tender Invitation Notice;
  - (ii) the aggregate quantity of Firm NTS Entry Capacity for which valid offers to surrender were received by National Grid NTS for that Relevant Option Combination pursuant to that Tender Invitation Notice;
  - (iii) the minimum strike price offered by Users in valid offers for the surrender of Firm NTS Entry Capacity for that Relevant Option Combination pursuant to that Tender Invitation Notice;
  - (iv) the maximum strike price offered by Users in valid offers for the surrender of Firm NTS Entry Capacity for that Relevant Option Combination pursuant to that Tender Invitation Notice;
  - (v) in respect of such Option Agreement(s), the volume weighted average strike price for the Firm NTS Entry Capacity available for surrender pursuant to such agreements;
  - (vi) in respect of such Option Agreement(s), the aggregate quantity of Firm NTS Entry Capacity that is available for surrender by Users pursuant to such agreements;
  - (vii) in respect of such Option Agreement(s), the minimum strike price for the surrender of Firm NTS Entry Capacity pursuant to such agreements; and
  - (viii) in respect of such Option Agreement(s), the maximum strike price for the surrender of Firm NTS Entry Capacity pursuant to such agreements.
- (c) Where, after the date of implementation of the modification proposal giving effect to this paragraph (c), National Grid NTS, whether in whole or in part, exercises its right to accept the surrender of Firm NTS Entry Capacity in respect of any specific Gas Flow Day and specific Aggregate System Entry Point pursuant to an Option Agreement or Option Agreements, it shall publish on the first Business Day following that specific Gas Flow Day:
- (i) the aggregate quantity of Firm NTS Entry Capacity surrendered to National Grid NTS in respect of that Gas Flow Day and Aggregate System Entry Point pursuant to such exercise; and
  - (ii) the volume weighted average strike price in respect of the Firm NTS Entry Capacity surrendered to National Grid NTS in respect of that Gas Flow Day and Aggregate System Entry Point pursuant to such exercise.

- (d) Where, after the date of implementation of the modification proposal giving effect to this paragraph (d) and pursuant to a Tender Invitation Notice, National Grid NTS receives valid tender offers in respect of a Relevant Forward Combination but National Grid NTS does not enter into any Forward Agreements with Users in respect of that Relevant Forward Combination pursuant to that Tender Invitation Notice, it shall nevertheless publish, within 4 Business Days following the last Day on which such tender offers may have been submitted to National Grid NTS pursuant to that Tender Invitation Notice, and in respect of each Gas Flow Day in the relevant forward delivery period:
- (i) the volume weighted average price in respect of all valid offers received by National Grid NTS for the surrender of Firm NTS Entry Capacity for that Relevant Forward Combination pursuant to that Tender Invitation Notice;
  - (ii) the aggregate quantity of Firm NTS Entry Capacity for which valid offers to surrender were received by National Grid NTS for that Relevant Forward Combination pursuant to that Tender Invitation Notice;
  - (iii) the minimum price offered by Users in valid offers for the surrender of Firm NTS Entry Capacity for that Relevant Forward Combination pursuant to that Tender Invitation Notice; and
  - (iv) the maximum price offered by Users in valid offers for the surrender of Firm NTS Entry Capacity for that Relevant Forward Combination pursuant to that Tender Invitation Notice.
- (e) Where, after the date of implementation of the modification proposal giving effect to this paragraph (e) and pursuant to a Tender Invitation Notice, National Grid NTS receives valid tender offers in respect of a Relevant Option Combination but National Grid NTS does not enter into any Option Agreements with Users in respect of that Relevant Option Combination pursuant to that Tender Invitation Notice, it shall nevertheless publish within 4 Business Days following the last Day on which such tender offers may have been submitted to National Grid NTS pursuant to that Tender Invitation Notice:
- (i) the volume weighted average strike price in respect of all valid offers received by National Grid NTS for the surrender of Firm NTS Entry Capacity for that Relevant Option Combination pursuant to that Tender Invitation Notice;
  - (ii) the aggregate quantity of Firm NTS Entry Capacity for which valid offers to surrender were received by National Grid NTS for that Relevant Option Combination pursuant to that Tender Invitation Notice;
  - (iii) the minimum strike price offered by Users in valid offers for the surrender of Firm NTS Entry Capacity for that Relevant Option Combination pursuant to that Tender Invitation Notice; and
  - (iv) the maximum strike price offered by Users in valid offers for the surrender of Firm NTS Entry Capacity for that Relevant Option Combination pursuant to that Tender Invitation Notice.

## UNIFORM NETWORK CODE – TPD SECTION B CROSS REFERECING UPDATES

Due to the insertion of a new Paragraph 2.4 in Section B TPD, references to TPD Section B old paragraph 2.4 and the remaining sections of paragraph 2 requires updating. The table below details the references to the affected paragraph numbers in the General document, Transportation Principle Document and European Interconnection Document (for completeness, no affected referencing was found in Offtake Arrangements Document or IGT Arrangements Document). Included in the below table are the amendments to be made to the main paragraph numbers, subsequent subparagraph numbering remains unchanged unless otherwise stated.

<u>B2.1.4(c) changed to B2.1.4(d)</u>	<u>General: Referred to in the list of defined terms: “Daily NTS Entry Capacity”</u>
<u>B2.1.4(d) changed to B2.1.4(e)</u>	<u>General: Referred to in the list of defined terms: “Daily Interruptible NTS Entry Capacity”</u>
<u>B2.4 changed to B2.5</u>	<u>General: Referred to in the list of defined terms: “available”; “available capacity rate”; Available Daily Capacity”; “bid effective time”; “bid price”; “capacity allocation”; “capacity allocation effective time”; “capacity allocation period”; “daily”; “fixed bid”; “implied capacity rate”; “reducing bid”; “reserve price”</u> <u>Part IIE – Re-allocation of NTS Entry Capacity at Bacton ASEP, para 5.1(b)(iii)</u> <u>Part IIC – Transitional Rules, para 1.1.1(c)</u> <u>Part VA – General, para 3.4.1</u>
<u>B2.5 changed to B2.6</u>	<u>General: Referred to against list of defined terms: “Available Interruptible Capacity”; “bid price”; “daily average unutilised firm capacity”; “daily interruptible”; “relevant period”</u> <u>Part IIE – Re-allocation of NTS Entry Capacity at Bacton ASEP, para 5.1(b)(iii)</u>
	<u>EID: Section B para. 3.6.1(a)</u>
<u>B2.6 changed to B2.7</u>	<u>General: Referred to against the list of defined terms: “Actual Available NTS Entry Capacity”; “relevant step price group”; “Reserve Price Bid Amount”; “stability Group”; “step price group”; “step price group quantity”</u> <u>Part IIC – Transitional Rules, para 1.1.1(b)</u> <u>Part IIE – Re-allocation of NTS Entry Capacity at Bacton ASEP para. 1.2 (q)</u>
	<u>TPD:</u> <u>Section L para 4.4.3</u> <u>Section Y para. 2.2.2(h)(ii)</u>
<u>B2.7 changed to B2.8</u>	<u>General: Referred to in the list of defined terms: “equal prices bids”; “relevant capacity remaining”; “relevant short terms period”; “remaining unallocated amount”</u> <u>Part IIC – Transitional Rules para. 2.5</u>
<u>B2.8 changed to B2.9</u>	<u>General: Referred to in the list of defined terms: “Capacity Management”; “Capacity Management Agreement”; “Capacity Management Charges”; “Forward Agreement”; “Option Agreement”; “Relevant Forward Combination”; “Relevant Option Combination”; “Tender Invitation Notice”.</u> <u>Part IIC – Transitional Rules para. 2.5</u> <u>Part IIE – Re-allocation of NTS Entry Capacity at Bacton ASEP para 5.1(b)(i); para 5.2(b); para 5.3(b)</u>
	<u>TPD:</u> <u>Section I para 3.7.3; para 3.9.1</u>
	<u>EID:</u> <u>Section B, para 6.3.3, para 6.5.1, para 6.5.2</u> <u>Section V, para 3.1.2(c)(i)</u>
<u>B2.9 changed to B2.10</u>	<u>General: Referred to in the list of defined terms: “curtailment effective time”; “Entry Capability Shortfall”; “interruptible curtailment factor”; “interruptible curtailment notice”.</u>

	<p><u>TPD:</u> <u>Section I para 3.7.3; para 3.9.1</u></p> <p><u>EID:</u> <u>Section A, para 1.3.3(d)</u> <u>Section B, para 1.4.1(b); 11.6.1</u></p>
<p><u>B2.10</u> <u>changed to</u> <u>B2.11</u></p>	<p><u>General: Referred to in the list of defined terms:</u> <u>“available”; “available surrender rate”; “capacity selection”; “capacity selection effective time”; capacity selection period”; “daily capacity offer”; “Firm Capacity Shortfall”; “fixed offer”; “implied surrender rate”; “offer effective time”; “offer price”; “reducing offer”</u> <u>Part IIC- Transitional Rules, para 1.1.1(a)(ii); para 1.1.1(b)(ii); para 2.5</u></p> <p><u>TPD:</u> <u>Section I para 3.7.1; 3.7.2; 3.7.3 (twice); 3.7.7</u></p> <p><u>EID:</u> <u>Section B, para 6.3.3; 6.5.2</u> <u>Section C, para 3.1.2(c)(i)</u></p>
<p><u>B2.11</u> <u>changed to</u> <u>B2.12</u></p>	<p><u>General: Referred to in the list of defined terms:</u> <u>“Capacity Surrender Charge”; “NTS Entry Capacity Charges”</u></p> <p><u>TPD:</u> <u>Section V para 9.1.2(b)</u> <u>Section Y para 2.9.1</u></p> <p><u>EID:</u> <u>Section B, para 2.1.6; 11.2.2</u> <u>Section E, para 8.1.1</u></p>
<p><u>B2.12</u> <u>changed to</u> <u>B2.13</u></p>	<p><u>General: Referred to in the list of defined terms:</u> <u>“overrun quantity”; “relevant average accepted exercise price”; “relevant average accepted offer price”; “relevant average forward price”; “relevant capacity”; “relevant forward arrangement”; “relevant forward capacity”; “relevant option arrangement”; “relevant option capacity”; “relevant successful offer”; “System Entry Overrun Charge”</u> <u>Part IID – Flexibility Bidding, para 5.2</u> <u>Part V – European Interconnection Document, para 3.4.1 (2 references)</u></p> <p><u>EID:</u> <u>Section B, para 1.7.3, para 11.3.1, para 11.4.2</u></p>
<p><u>B2.13</u> <u>changed to</u> <u>B2.14</u></p>	<p><u>General: Referred to in the list of defined terms:</u> <u>“Capacity Cost neutrality Charge”; “Capacity Neutrality Adjustment Charge”; “Capacity Neutrality Charges”; “Capacity Revenue Neutrality Charge”; “Relevant Capacity Charges”; “Relevant Capacity Costs”; “Relevant Capacity Revenues”; “relevant User”; “Second Capacity Adjustment Neutrality Amount”</u></p> <p><u>TPD:</u> <u>Section I para 3.7.4</u></p> <p><u>EID:</u> <u>Section B, para 11.5.1, para 11.5.1(a), para 11.5.1(b)</u></p>
<p><u>B2.14</u> <u>changed to</u> <u>B2.15</u></p>	<p><u>General: Referred to in the list of defined terms:</u> <u>“relevant capacity”; “relevant capacity bid”</u></p>
<p><u>B2.15</u> <u>changed to</u> <u>B2.16</u></p>	<p><u>General: Referred to in the list of defined terms:</u> <u>“NTS Entry Capacity Retention Charge”; “Entry Capacity Substitution Methodology Statement”</u></p> <p><u>TPD:</u> <u>Section Y para 2.10.1</u></p>
<p><u>B2.17</u> <u>changed to</u> <u>B2.18</u></p>	<p><u>General: Referred to in the list of defined terms:</u> <u>“affected ASEP”; “ASEP Force Majeure”; “ASEP Force Majeure Notice”; “ASEP Force Majeure Quantity (kWh/day); “Exercise Price”; “Force Majeure Amount”; “Force Majeure Capacity Management Arrangement”; “Force Majeure Entry User”; “Force Majeure Option”; “Force Majeure Option Arrangement”; “Force Majeure Option Quantity”; “Force Majeure Premium Charge”; “The</u></p>

	<a href="#">Maximum Option Capacity”; “weighted average price”</a>
	<a href="#">EID:</a> <a href="#">Section B, para 6.3.3, para 6.5.2</a> <a href="#">Section C, para 3.1.2(c)(i)</a>

**UNIFORM NETWORK CODE – TPD SECTION Y PARAGRAPH 2.1 SHALL BE AMENDED AS MARKED UP BELOW**

The capacity allocation table in paragraph 2.2.1 shall be amended so as to include in the second row entitled "Intra-System Entry Point" in the row entitled "Firm" in the sub-row "Auction" a new row as follows:

TPD Section B 2.4	Weekly	Weekly
-------------------	--------	--------

and the references to "TPD Section B2.4" and "TPD Section B2.5" in the sub- rows immediately below this newly inserted sub-row (referring to Daily and within day) shall be renumbered to "TPD Section B2.5" and "TPD Section B2.5" respectively.

**UNIFORM NETWORK CODE – GENERAL – A NEW DEFINED TERM TO BE ADDED TO LIST OF DEFINED TERMS TABLE**

Insertion of Weekly NTS Entry Capacity in the List of Defined Terms table between “Weekly Minimum Requirement” and “weighted average”

<u>Weekly NTS Entry Capacity</u>	<u>TPD B2.1.4(c)</u>
----------------------------------	----------------------