**Attachment #9**

**UNC reference: TPD Section B and TPD Section Y (new paragraphs)**

**Subject: Capacity Surrender and Publication**

**Relevant alternates: 0678F (Storengy)**

*Section B - new paragraph 2.18*

2.18.1   In this paragraph 2.18:

* + - 1. "**Relevant 2018 NTS Entry Capacity**" is Quarterly NTS Entry Capacity [at an Intra-System Entry Point] which was allocated to a User in the period from 12 February 2018 and 20 December 2018;
			2. the "**Cancellation Condition**" in relation to any Gas Year (Y) and any User holding Relevant 2018 NTS Entry Capacity at an Intra-System Entry Point in that Gas Year, is that {A > (B + C)}

where

1. is the Applicable Daily Rate of the Capacity Charge payable by the User (in Gas Year Y) in respect of the Relevant 2018 NTS Entry Capacity, determined in accordance with Section [/];
2. is the Applicable Daily Rate of the Capacity Charge that would have been payable by the User (in Gas Year Y) for the Relevant 2018 NTS Entry Capacity on the basis of the NTS transportation charging methodology applying in the period referred to in paragraph 2.18.1.
3. is an amount calculated as 0.05 \* B \* (1 + RPI) where RPI is the increase (expressed in a decimal) in the [retail price index] from [month in 2017] to [same month in Y-1]

2.18.2   Where the Cancellation Condition is met:

* + - 1. National Grid NTS will, not less than 20 Business Days before [/], publish a notice stating that the Cancellation Condition is met, and inviting Users holding Relevant 2018 NTS Entry Capacity at the Intra-System Point to cancel all or part of the NTS Entry Capacity;
			2. a User may by notice to National Grid NTS given within 10 Business Days after the notice in paragraph (a), cancel all or part of the Relevant 2018 NTS Entry Capacity (in an equal amount for each Day of the relevant quarter) at an Intra-System Entry Point in that Gas Year.

2.18.3   Where a User cancels any amount of Relevant 2018 NTS Entry Capacity at an Intra-System Entry Point:

* + - 1. the User's Registered NTS Entry Capacity shall be reduced by the amount cancelled for each Day in the relevant quarter;
			2. accordingly the User shall not be liable for Capacity Charges in respect of the amount of NTS Entry Capacity cancelled;
			3. in calculating the amount of the User's Available NTS Entry Capacity for a Day in accordance with paragraph 5.3.2, the amount of cancelled NTS Entry Capacity shall be deducted (and this is a further basis on which the User's Available NTS Entry Capacity may become negative as provided in paragraph 5.5).

*Section Y - new paragraph 2.1.9*

2.1.9 In accordance with TPD Section B2.18 a User may (where the Cancellation Condition in that Section is met) cancel Relevant 2018 NTS Entry Capacity; and accordingly (for each NTS Entry Point in relation to which that paragraph applies in a Gas Year):

* + - 1. National Grid NTS shall on a provisional basis (and prior to any cancellation under that Section) determine reserve prices in accordance with this paragraph 2;
			2. the Cancellation Condition shall apply on the basis of the provisional reserve prices so determined;
			3. following the exercise of the right of cancellation under that Section, National Grid NTS shall redetermine (on a definitive basis) reserve prices in accordance with this paragraph taking account of such cancellation in the determination of Forecast Contracted Capacity.