

## MODIFICATION 0765

### NEW RETROSPECTIVE DEBIT AND CREDIT CHARGES TO REFLECT CHANGES TO THE TREATMENT OF ENTRY CAPACITY REVENUE BETWEEN OCTOBER AND DECEMBER 2020

[Proposed] legal text

#### TRANSITION DOCUMENT

#### PART IIC – TRANSITIONAL RULES

*Add new paragraph [28] to read as follows:*

#### **28 Transitional Entry Adjustment Charge**

28.1 For the purposes of this paragraph 28:

- (a) "**aggregate entry adjustment (credit) amount**" is, in respect of a relevant month, the aggregate of all entry adjustment (debit) charges payable by all relevant Users for such month;
- (b) "**M(RD)**" means the Month in which the relevant date falls, and M(RD) + means the *n*th Month after M(RD);
- (c) "**relevant date**" means the date from which the Modification giving effect to this paragraph 28 is implemented and effective from;
- (d) "**relevant capacity period**" is the period from (and including) 1 February 2021 to (and including) 30 September 2021;
- (e) "**relevant capacity neutrality revenues**" means, in relation to a relevant month, the amount payable to National Grid NTS by way of Capacity Charges (for all days in such month) in respect of:
  - (i) Daily NTS Entry Capacity where the relevant User was registered as holding at any time during the relevant day as holding Daily NTS Entry Capacity in respect of that day;
  - (ii) Daily Interruptible NTS Entry Capacity; and
  - (iii) NTS Entry Capacity allocated in any Interruptible Rolling Day ahead Auction or Within Day Auction for that day;
- (f) "**relevant month**" means each of October, November and December 2020; and
- (g) "**relevant User**" means, in respect of any day in a relevant month, a User to whom National Grid NTS paid, by reason of the receipt by National Grid NTS of relevant capacity neutrality revenues, a Capacity Revenue Neutrality Charge.

- 28.2 In respect of each relevant month a relevant User shall pay National Grid NTS an amount ("**entry adjustment (debit) charge**") equal to:
- (a) for October 2020, the aggregate amount of Capacity Revenue Neutrality Charges attributable to relevant capacity neutrality revenues payable to the relevant User for all days in October 2020;
  - (b) for November 2020, the aggregate amount of Capacity Revenue Neutrality Charges attributable to relevant capacity neutrality revenues payable to the relevant User for all days in November 2020;
  - (c) for December 2020, the aggregate amount of Capacity Revenue Capacity Charges attributable to relevant capacity neutrality revenues payable to the relevant User for all days in December 2020.
- 28.3 In respect of each relevant month National Grid NTS shall pay each User an amount ("**entry adjustment (credit) charge**") calculated as follows:

$$EA(C)C_m = AEA(C)A_m * ( FAEC_u / AFAEC )$$

where:

- EA(C)C is, in respect of the relevant month, the entry adjustment (credit) charge payable to a User;
- AEA(C)A is, in respect of the relevant month, the aggregate entry adjustment (credit) amount;
- FAEC<sub>u</sub> is the aggregate sum of the User's Fully Adjusted Available NTS Entry Capacity (of all Capacity Allocation Types) at each NTS Aggregate System Entry Point less the User's Existing Available Holding (as defined in TPD Section Y2.2.2(f)) for all days in the relevant capacity period; and
- AFAEC is the aggregate sum of all Users Fully Adjusted Available NTS Entry Capacity (of all Capacity Allocation Types) at each NTS Aggregate System Entry Point less all Users Existing Available Holding (as defined in TPD Section Y2.2.2(f)) for all days in the relevant capacity period

(and for which purpose Capacity Allocation Type has the meaning in TPD Section Y2.2.1).

- 28.4 Entry adjustment (debit) charges and entry adjustment (credit) charges shall be invoiced (by way of the NTS Entry Capacity Invoice) and payable in accordance with TPD Section S as follows:
- (a) in respect of October 2020 in M(RD) + 1;
  - (b) in respect of November 2020 in M(RD) + 2;
  - (c) in respect of December 2020 in M(RD) + 3.