

**MODIFICATION 0665 – CHANGES TO RATCHET ARRANGEMENTS**

**LEGAL TEXT - EXPLANATORY TABLE**

<b>UNC Section</b>	<b>Reference</b>	<b>Explanation</b>
<b>Transportation Principal Document</b>		
<b>Section B – System Use and Capacity</b>		
	New paragraph 4.7.4	Establishes two types of ratchet charge, a Class 1 Ratchet Charge and Class 2 Ratchet Charge - which apply respectively in the event of an overrun at a Class 1 or Class 2 DM Supply Point.
	Amended paragraph 4.7.7	Sets out the Class 1 Ratchet Charge calculation.
	New paragraph 4.7.8	Sets out the Class 2 Ratchet Charge calculation.
	New paragraph 4.7.16	Explains the circumstances in which a Transporter may designate a Class 2, 3 or 4 Supply Point as one at which the Class 1 Ratchet Charge should apply.
	New paragraph 4.7.17	Sets out some limitations on when the Transporter may make such a designation.
	New paragraph 4.7.18	Explains in what circumstances and in what period the Registered User may object to a designation.
	New paragraph 4.7.19	Explains the process to be followed in the event the Registered User objects within the objection period.
	New paragraph 4.7.20	Establishes the requirement that the Transporters jointly prepare the Class 1 Ratchet Guidance Document - which is to contain the detail of the circumstances which must apply before the Transporter may designate Class 2, 3 or 4 Supply Point as one at which a Class 1 Ratchet Charge should apply and also the detail

		of the grounds on which the Registered User may raise an objection to a designation.
	New paragraph 4.7.21	Where a designation is effective the Registered User must change the class of the DM Supply Point so that it becomes a Class 1 DM Supply Point, failing which the CDSP will make the change to the Supply Point Register.
<b>Section G – Supply Points</b>		
	Amended paragraph 1.5.3	The Class 1 Requirement will apply if the circumstances set out in the Class 1 Ratchet Guidance Document apply, i.e. the site is one at which a Class 1 Ratchet Charge should apply.
<b>Section V - General</b>		
	Amended paragraph 12.1	Establishes the governance arrangements for the Class 1 Ratchet Guidance Document.
<b>Transition Document</b>		
<b>Transitional Rules – Part IIC</b>		
	New paragraph 1.1.10	Allows the Transporter to make a designation at any time with the period of six (6) months following implementation of Modification 0665.