

OAD Offtake Subsidiary Document
Supplemental Agreement
Update Process

DRAFT

Document Control

Version	Date	Reason for Change
0.1	12 January 2021	Draft Created.
0.2	16 February 2021	Update to document following review at Feb 2021 0646r OAD Workgroup. <ul style="list-style-type: none"> • <u>Caveat included in Section 2 for the SA migration process</u> • <u>Overhaul of Section 2.10 and minor amendments to Sections 2.1; 2.3; 2.8; 2.8.3; 2.11 and 2.12.</u> • <u>Section 2.14 added to enable ad-hoc changes to be covered by the same update process</u> • <u>Swin lane header amend to reflect "Reviewing Party/Parties" to cater for tri-party sites.</u> • <u>Inclusion of D+10 timescales within execution process</u>
1.0	01 Xxxxxx 2021	Implementation version
2.0		
3.0		

Formatted: Bulleted + Level: 1 + Aligned at: 0.63 cm + Indent at: 1.27 cm

Document Governance

UNC Offtake Arrangements Document (OAD) Section N sets the rules for the governance of OAD Subsidiary Documents. However, it should be noted that OAD can reference UNC Related Documents and the rules for governance are set out in UNC Transportation Principals Document (TPD) Section V.

OAD Subsidiary Documents are usually approved through the Offtake Committee;

UNC Related Documents are usually approved through the Uniform Network Code Committee.

**UNIFORM NETWORK CODE - OFFTAKE ARRANGEMENTS DOCUMENT
SECTION N - GENERAL**

1.2 Subsidiary Documents

1. UNC OAD Section N - General 1.2 Offtake Subsidiary Documents (OSD) set the rules for the establishment of OSDs and how they are then managed by the Offtake Committee.
2. The list of OSDs contained in OAD Section N 1.2.1 can be amended either by Modification or as agreed by the Parties.

UNIFORM NETWORK CODE – TRANSPORTATION PRINCIPAL DOCUMENT SECTION V – GENERAL

12. General Provisions Relating to UNC Related Documents

12.1 Purpose

The purpose of this Section is to establish generic governance arrangements in respect of the following UNC Related Documents (each a “**Document**” and collectively the “**Documents**”):

- a) Network Code Operations Reporting Manual as referenced in Section V9.4;
- b) Network Code Validation Rules referenced in Section M1.5.3;
- c) ECQ Methodology as referenced in Section Q6.1.1(c);
- d) **Measurement Error Notification Guidelines for NTS to LDZ and LDZ to LDZ Measurement Installations as referenced in OAD Section D 3.1.5.**
- e) the Allocation of Unidentified Gas Document referenced in Section E9.1.1;
and
- f) the Customer Settlement Error Claims Process Guidance Document referenced in Section E1.3.10.

12.2 Publication Requirements

Each Document shall be kept up to date and published by the Transporters on the Joint Office of Gas Transporters' website.

12.3 Modifications

Should a User or Transporter wish to propose modifications to any of the Documents, such proposed modifications shall be submitted to the Uniform Network Code Committee and considered by the Uniform Network Committee or any relevant sub-committee where the Uniform Network Code Committee so decide by majority vote.

12.4 Approved Modifications

12.4.1 In the event that a proposed modification is approved by a majority vote of the Uniform Network Code Committee, the modification shall be implemented. Where the Uniform Network Code Committee fails to achieve majority approval, the proposed modification shall be considered in accordance with the provisions set out in Section 7 of the Uniform Network Code Modification Rules unless the Uniform Network Code Committee determines otherwise.

12.4.2 Each revised version of a Document shall be version controlled and retained by the Transporters. It shall be made available on the Joint Office of Gas Transporters' website.

DRAFT

Contents Page

Note: Contents to be added once document structure below this point has been agreed.

1. Scope

- 1.1. The scope of this process is to provide clear, concise guidance on the necessary steps needed to review, approve and subsequently execute a Supplemental Agreement, between the respective parties, for when changes at any OAD site need to be documented accordingly.
- 1.2. This process will dovetail with all existing requirements currently within the OAD framework that provide direction for when a Supplemental Agreement requires updating.
- 1.3. The intent of this document is to remove ambiguity and provide a consistent process for all gas network operators to follow, for whoever they need to engage with concerning Supplemental Agreements.

2. Principles

Note: the principles that are contained within this section refer to the enduring process that is required between operators to review and approve amended Supplemental Agreements. These principles will not apply to the migration exercise that is required to implement the changes to the Supplemental Agreements as approved under UNC MOD 0683. The principles will in effect once a site's Supplemental Agreement has migrated to the new template.

- 2.1. The process within this document applies to all site types defined under OAD ~~that~~ and are required to have a Supplemental Agreement in place.
- 2.2. The process will contain two defined stages:
 - 2.2.1. A drafting stage; and
 - 2.2.2. An execution stage
- 2.3. Any party can initiate the update process and draft proposed changes. However, the party that has raised a respective OAD notice and deems that an amendment to the Supplemental Agreement is required, will be the party to initiate the process (subsequently referred to in this document as the 'amending party')
- 2.4. The amending party must have updated the respective current version of the Supplemental Agreement and track changes **must** have been applied so that

- Formatted: Font: Italic
- Formatted: Indent: Left: 0.75 cm
- Formatted: Font: Italic
- Formatted: Font: Italic
- Formatted: Font: Italic
- Formatted: Font: Italic
- Formatted: Indent: Left: 0.5 cm, No bullets or numbering

- the other party/parties can quickly identify the changes made for prompt and an efficient review to take place.
- 2.5. An amended draft will be prepared by the amending party and issued in a reasonable time period after the intended new or amended assets have been accepted as operational.
 - 2.6. The receiving party/parties may require further additional information from the amending party during the drafting stage in order to support acceptance of the proposed draft.
 - 2.7. All disputes pertaining to any proposed changes are to be raised and resolved during the drafting stage.
 - 2.8. The amending party is to draft a revised Supplemental Agreement and issue it to the reviewing party/parties within a reasonable timescale following the operational commissioning of all the impacted assets. In certain specific circumstances, the draft Supplemental Agreement **must** be prepared and agreed prior to the implemented changes coming into effect. These cover any amendments to the following:
 - 2.8.1. Any amendments to the data that resides in the Appendix D - Flow Rates section;
 - 2.8.2. The amendment of the site status within Appendix D - Gas Quality Measurement section i.e. CV Directed Offtake or Non-Directed Offtake;
 - 2.8.3. Any amendments to the telemetered data points that reside in Appendix E of the Supplemental Agreement (refer to OAD Annex E1 for obligation requirements);
 - 2.8.4. Exception: For Metering upgrades or changes in metering technology as documented within Appendix D - Measurement Equipment, the respective information must be prepared ahead of the assets going live however the formal changes cannot be executed until afterwards once all the respective data has been provided by the amending party and subsequently reviewed and confirmed by the reviewing party.
 - 2.9. The execution stage will only commence once all parties have agreed to the draft revisions.
 - 2.10. For tri-partite sites, the amending party shall issue the revised Supplemental Agreement to both the other operator and the Site Services party as part of the draft phase. The Site Services party will review the proposed amendments and will consider the impact upon the Site Services schedule as detailed in Appendix C within the Supplemental Agreement template(s). Where necessary, the Site Services party will amend the details in Appendix C, via tracked changes, and will return the revised Supplemental Agreement to all parties involved, assess the impact on the services party and will seek approval for any modifications to the site services (Section 3 within the SA template). Where this occurs, the amending party will provide the written confirmation from the services party that the amendments to site services have been duly reviewed and agreed upon, and will provide this confirmation along with the amended Supplemental Agreement to the other party.
 - 2.11. The execution process:

Commented [DD1]: Timescales for the draft process still need to be formulated and agreed.

Commented [DD2]: Final list of sub-bullets to be agreed

2.11.1. For NTS/LDZ sites, and Shared Sites where ~~the~~ NTS are a site party~~the site owner~~, National Grid will initiate the execution of any updated Supplemental Agreement.

2.11.2. For LDZ/LDZ sites the amending party will initiate the execution of any updated Supplemental Agreement.

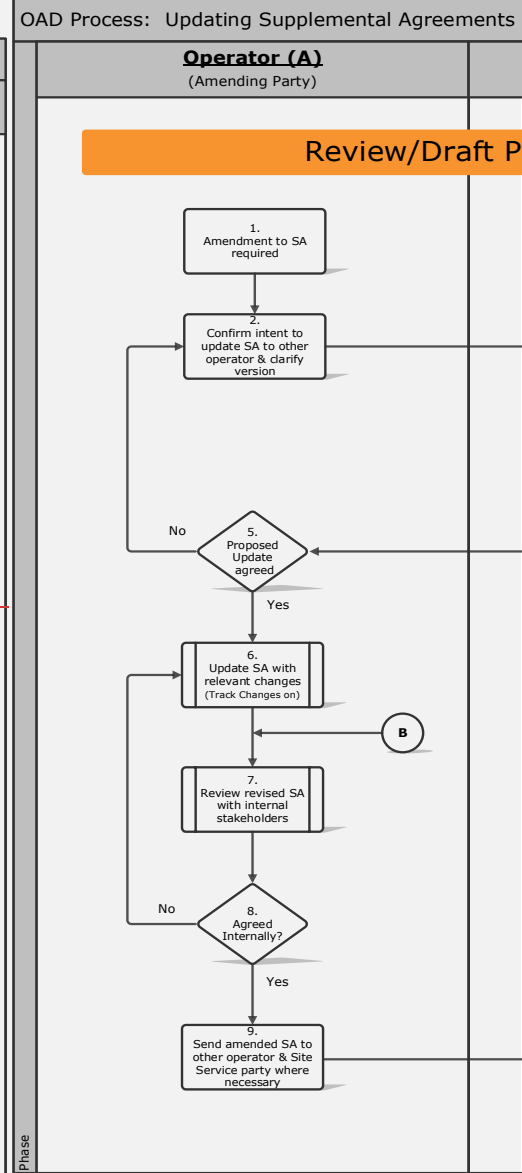
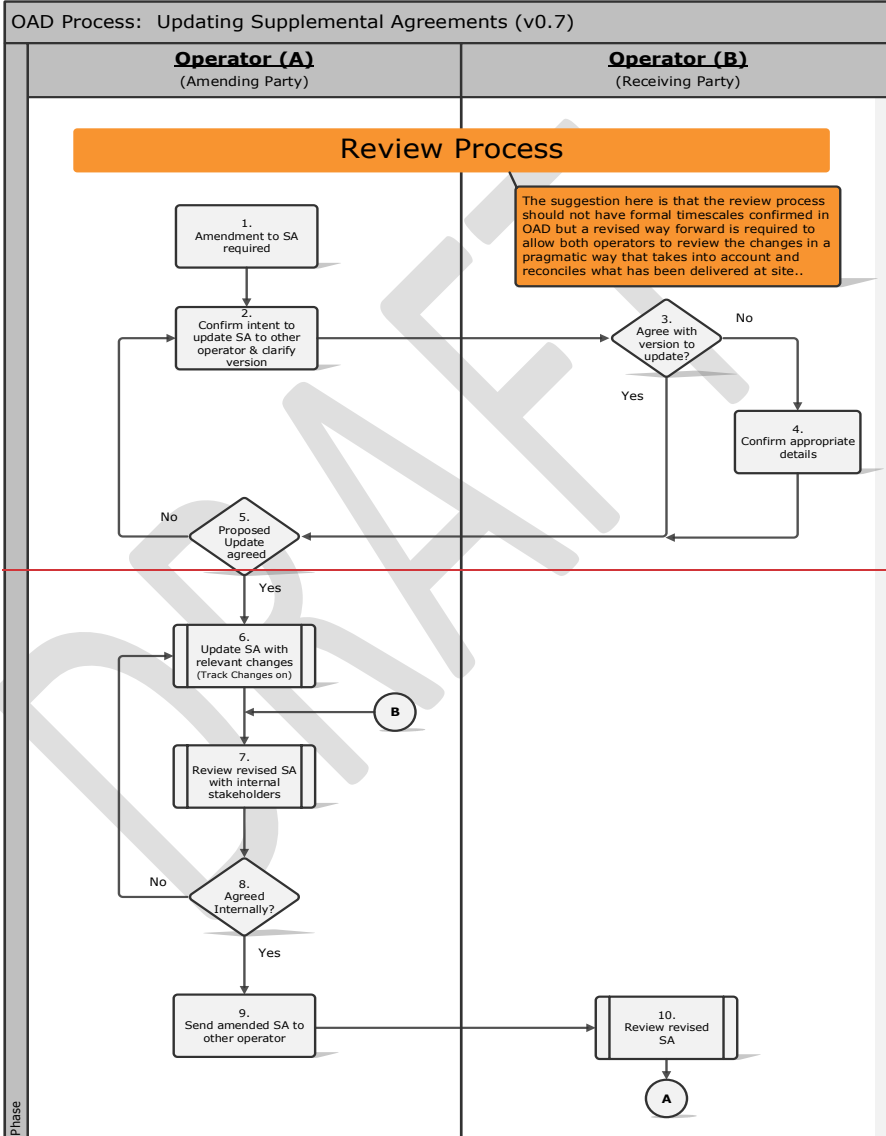
2.12. The execution stage will have defined D+10 timescales for all parties to enable a prompt and efficient processing for the signing of any amended Supplemental Agreement. These are documented in OAD Section N3.

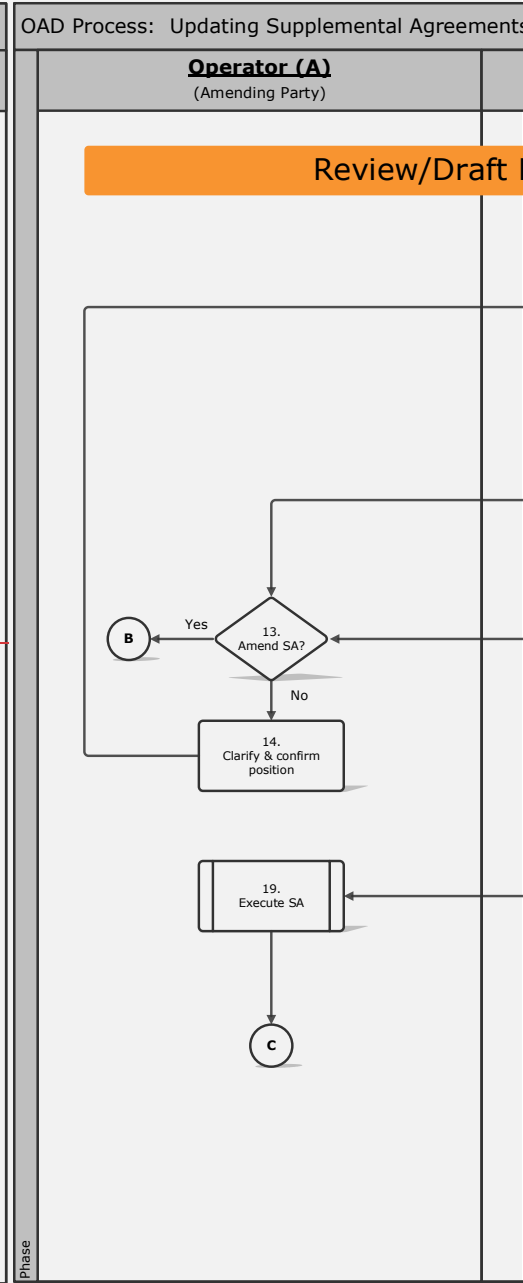
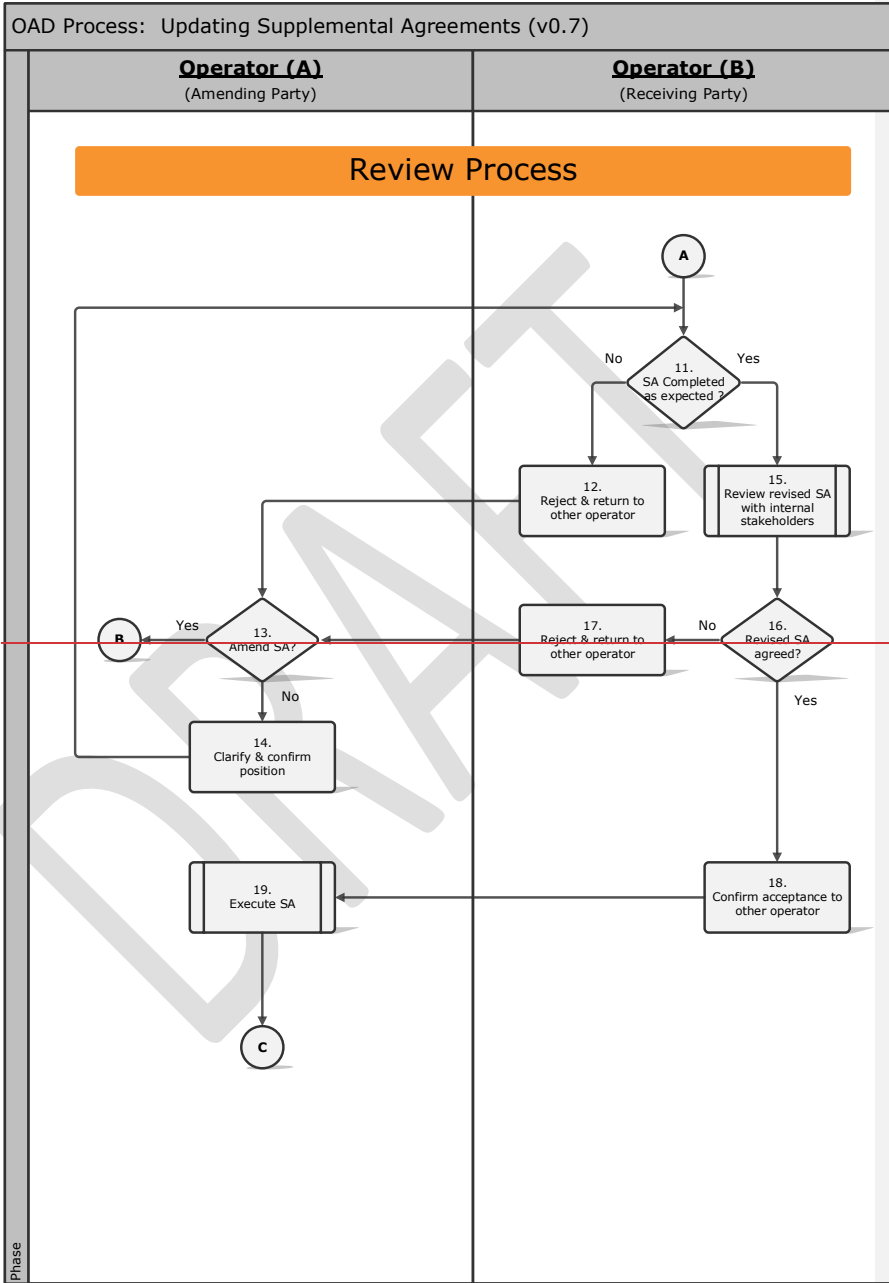
2.13. Upon completion of a duly signed Supplemental Agreement by the respective parties, each party will be responsible for the retention and storage of their copy.

2.13-2.14. Ad-hoc amendments such as to append incorrect information within the Supplemental Agreements can also be facilitated by using the same process as documented in Section 3.

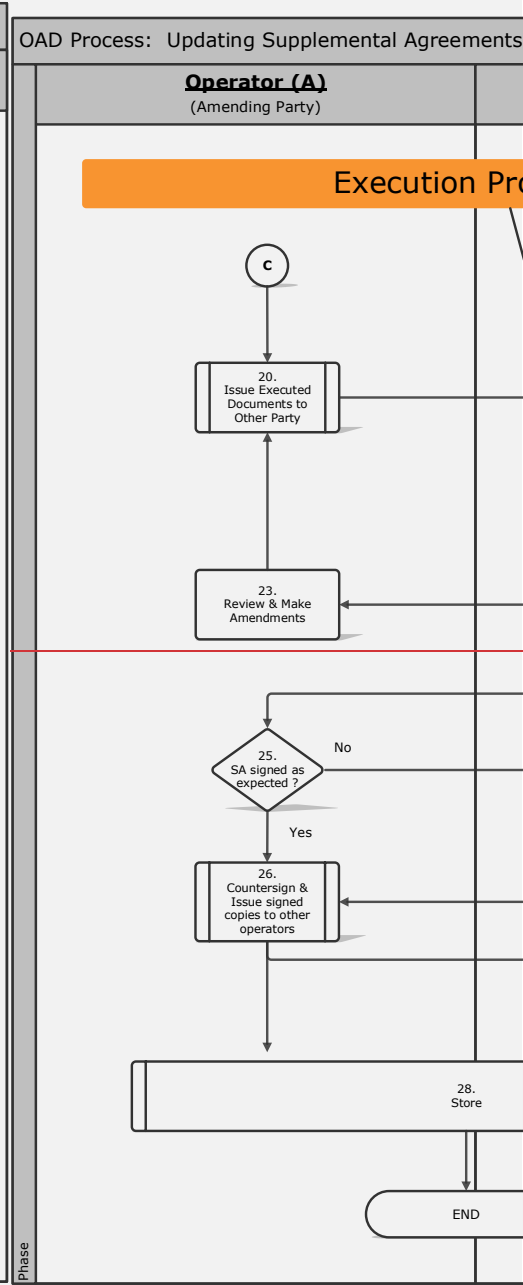
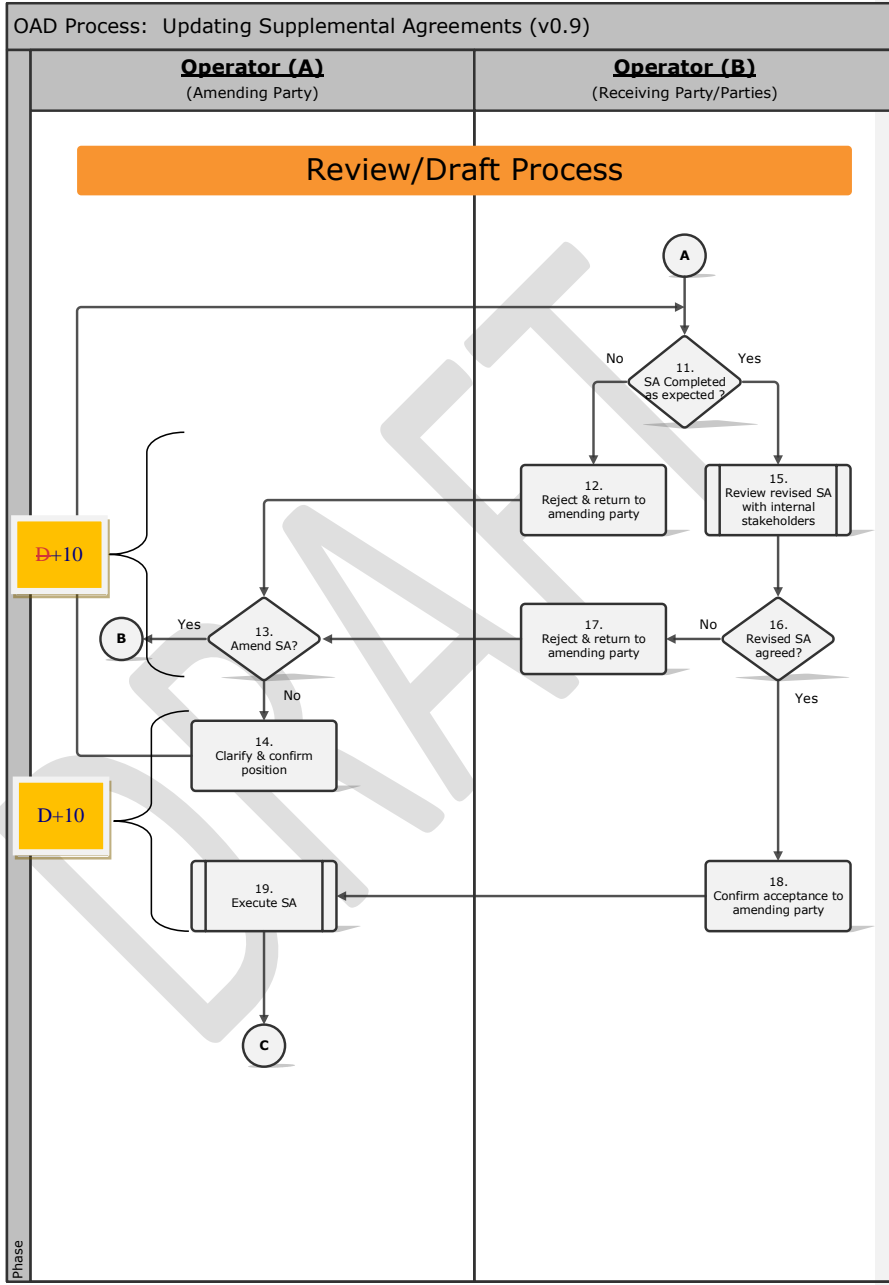
DRAFT

3. Process Flow
3.1 Draft Stage





3.2 Execution Stage



4. Process Steps

Step	Requirement	Owner
01	<p>This process enables any operator to request from another operator at a shared site, to remove an asset or assets.</p> <p>The request is to be in writing outlining the specific assets that need to be removed, detailing the proposed work and the reason(s) why.</p>	Amending Party / Receiving Party
02	<p>Operator B receives request from Operator A and will review accordingly.</p> <p>Operator B will review the initial request and will provide a response within 60 days unless otherwise agreed with Operator A.</p> <p>Operator B will also check whether there is a lease agreement in place for the respective site, and whether the request to remove assets is covered by that agreement. If removal is not covered then the requirements within this process are to be followed.</p>	
03	<p>Decision Box. Operator B will check to confirm whether the assets that have been requested for removal are operational or redundant.</p>	
04	<p>If the assets in question are not redundant, this must be confirmed back to Operator A in writing as such along with the supporting rationale of how they are used or will be used in the immediate future.</p>	
05	<p>Operator A will review Operator B's response to the original request.</p> <p>Operator A will review the initial request and will provide a response within 60 days unless otherwise agreed with Operator B.</p>	
06	<p>Decision Box. Following the review of Operator B's response, Operator A will decide whether they agree with the response provided.</p>	
07	<p>Decision Box. If Operator A does not agree with Operator B's initial response or requires to explore the matter further, the parties are to engage with the appropriate dialogue until either a mutual agreement is reached or evidence of the</p>	
08	<p>Operator B will produce the Cost Contribution Analysis either as it has accepted that the asset is redundant or following the outcome via the dispute process.</p> <p>[This step is now needs to be revamped. Consideration should be given as to the decision on which party will remove the asset and the confirmation of any cost sharing to be agreed prior to the work commencing -</p>	

	The funding split will be 50/50 for the respective assets that needs to be removed]	
09	Decision Box. If all attempts have been made to resolve the matter and Operator A does not agree with Operator B's view concerning the assets in question, then the formal disputes process may be used.	
10	Operator A will initial the dispute process as per the requirements set in UNC – General Terms Section A. If this process is used the parties agree to be bound by the outcome.	
11	Decision Box. Operator A will consider whether it will continue with the identified work. If so, this will require the raising of an OAD Notice.	
12	Decision Box. If all attempts have been made to resolve to seek an amicable position concerning the Cost Contribution, either Operator can seek to initiate the formal disputes process. Again, if this process is used the parties agree to be bound by the outcome.	
13	Decision Box. Does the Cost Contribution Analysis need to be revisited to find an alternative position or affirm the robustness of the original result.	
14	Decision Box. Operator B will provide the outcome from the Cost Contribution analysis to Operator A. If the outcome is fair and equitable Operator A should accept the outcome. However, if Operator A does not agree all attempts shall be made to find the common ground and a settlement acceptable to both parties.	
15	As the proposed work will cause an impact to both Operators, Operator A will raise the OAD notice to confirm the specific details.	
16	Operator A will initial the dispute process as per the requirements set in UNC – General Terms Section A. If this process is used the parties agree to be bound by the outcome.	
17	Once the outcome from the Removal of Asset process is known Operator A and B will agree the proposed delivery of work, in terms of timescales and any other cost recovery to support Operator A's work. This will include the issue of the OAD notice.	
18		
19		

20		
21		
22		
23		
24		
25		
26		
27		
28	All parties to retain their signed copy appropriately in line with their organisational requirements.	All parties
END		

END of Document

DRAFT