

13/01/2006

Dear Colleague,

**NOTICE OF IMPLEMENTATION  
MODIFICATION PROPOSAL No: 0072**

"Gas Allocations at LNG Storage Facilities in the Event of a Network Gas Supply Emergency"

Please note that Modification Proposal No 0072 will be implemented with effect from 06:00 hours on 14/01/2006. The Final Modification Report, Version 2.0, was signed by Ofgem on 13/01/2006.

The new Code text resulting from this Modification follows.

**Modified Text:**

**UNIFORM NETWORK CODE – TRANSPORTATION PRINCIPAL DOCUMENT**

**SECTION Z - NATIONAL GRID LNG STORAGE FACILITIES**

*Amend paragraph 6.7.1 to read as follows:*

"6.7.1 On any Day during a Network Gas Supply Emergency (including a Potential Network Gas Supply Emergency), National Grid LNG Storage may take steps to increase and/or decrease (as the case may be) the flow rates at a National Grid LNG Storage Facility in order to comply with requests from the NEC (either directly or indirectly) or to comply with directions from National Grid NTS ~~instructions~~ pursuant to Section Q3.3.3, in each case notwithstanding Users' Nominations in respect of such Day; ~~and where~~ Where National Grid LNG Storage takes such steps, then:

- (a) where the steps taken are to increase the flow rates at a National Grid LNG Storage Facility, the aggregate quantity withdrawn from that National Grid LNG Storage Facility on such Day will be apportioned between Users in the proportions in which they have gas-in-storage on such Day; and
- (b) where the steps are to decrease in the flow rates at a National Grid LNG Storage Facility, each User will be deemed to have withdrawn a quantity on such Day calculated as follows:

$$A + B + C$$

Where:

A is an amount calculated as:

$$S \text{ IDR} * \text{RCP}$$

IDR is the implied withdrawal rate in relation to a Storage Withdrawal Nomination or Renomination (other than a Storage Withdrawal Nomination or Renomination which related to the withdrawal of LNG from the facility in question for loading onto road tankers) of the User which became effective on the Day in question prior to the time at which the request from the NEC (either directly or indirectly)

to decrease the flow rates at the relevant National Grid LNG Storage Facility became effective for the Day in question;

RCP is the period (in hours) from the time that the Storage Withdrawal Nomination or Renomination in question became effective until either (i) the time when a further Storage Withdrawal Nomination or Renomination became effective or (ii) the time at which the request from the NEC (either directly or indirectly) to decrease the flow rates at the relevant National Grid LNG Storage Facility became effective for the Day in question;

B is an amount calculated as:

$$\text{(NECQ / 24)* HD * (FIDR / TFIDR)}$$

NECQ is the end of Day quantity which the NEC instructs the Storage Operator to flow on the Day in question (excluding any amount which has been or is to be withdrawn from the facility in question for loading as LNG onto road tankers);

HD is the number of hours remaining in the Day in question following the time at which the request from the NEC (either directly or indirectly) to decrease the flow rates at the relevant National Grid LNG Storage Facility became effective for the Day in question;

FIDR is the implied withdrawal rate in relation to the User's Storage Withdrawal Nomination or Renomination which was effective on the Day in question immediately prior to the time at which the request from the NEC (either directly or indirectly) to decrease the flow rates at the relevant National Grid LNG Storage Facility became effective for the Day in question;

TFIDR is the aggregate implied withdrawal rate in relation to all Users' Storage Withdrawal Nominations or Renominations which were effective on the Day in question immediately prior to the time at which the request from the NEC (either directly or indirectly) to decrease the flow rates at the relevant National Grid LNG Storage Facility became effective for the Day in question;

C is an amount equal to the quantity withdrawn by the User from the facility in question for loading as LNG onto road tankers on the day in question..”

Yours sincerely,

Julian Majdanski

Modification Panel Secretary