

Workgroup Terms of Reference

0407: Standardisation of notice periods for offtake rate changes for all National Grid NTS Exit Users

Date referred from Panel:

15 December 2011

Background – Why Change?

Please refer to Modification 0407 at www.gasgovernance.co.uk/0407

Solution

It is proposed that the 2 hour 5% rule be removed from the OAD, and that all Transporters and Users should be governed by a set of consistent OAD, UNC and any NExA clauses pertaining to offtake rate changes at the NTS.

Removing the 2 hour 5% contractual term from the Offtake Arrangements Document (at OAD Section I 2.3) will provide for a level operational and commercial field for all Users and remove any discriminatory approach for certain classification of Users, with respect to the rate of offtake changes allowed.

Topics for Discussion

- Understanding the objective
- Assessment of alternative means to achieve objective
- Development of Solution (including business rules if appropriate)
- Assessment of potential impacts of the modification
- Assessment of implementation costs
- Assessment of legal text
- Impacts on NTS direct connections
- Reasons for OAD Section I 2.3 provisions
- Impacts on and linkage with NTS/Network flex

Outputs

Produce a Workgroup Report for submission to the Modification Panel, containing the assessment and recommendations of the Workgroup.

Composition of Workgroup

The Workgroup is open to any party that wishes to attend or participate. A Workgroup meeting will be quorate provided at least two Transporter and two User representatives are present.

Meeting Arrangements

0407

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Version 1.0

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Meetings will be administered by the Joint Office and conducted in accordance with the Code Administration Code of Practice.