

Workgroup Terms of Reference

0534S - Maintaining the efficacy of the NTS Optional Commodity ('shorthaul') tariff at Bacton entry points

Date referred from Panel: 19 March 2015

Background – Why Change?

Please refer to www.gasgovernance.co.uk/0534

Solution

This modification seeks to preserve the original intent of the NTS Optional Commodity tariff, to avoid inefficient by-pass of the NTS.

Changes to EU law require that CAM and CMP procedures are applied across interconnectors. In response, the Bacton ASEP will be split, creating two new "sub" Aggregate System Entry points (ASEP); it is this change that may inadvertently restrict a shipper's ability to make full use of the NTS Optional Commodity tariff and this proposal endeavours to rectify

It is proposed a new definition for a qualifying entry point for the purposes of the application of the optional commodity tariff is established at the new Bacton ASEPs. This new definition will permit the aggregation of relevant entry flows across the two Bacton ASEPs for the sole purpose of the calculation of the optional commodity tariff.

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.

Questions for Workgroup Consideration:

Can the proposal be implemented as requested, with an 'offline fix' or a later reconciliation, or will a full systems solution be required?

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

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