# Stage 04: Final Modification Report

# 0559FT:

# Correction of a minor legal text reference related to Information Provision changes

This modification seeks to correct a legal text reference, which is incomplete due to the delay in implementing the legal text for Modification 0432 'Project Nexus Gas Demand, Estimation, Allocation, Settlement and Reconciliation reform'.



The Panel determined that this fast track self-governance modification be implemented.



High Impact:

None



Medium Impact:

None



Low Impact:

Shippers, National Grid NTS, DNOs and Xoserve

At what stage is this document in the process?









#### Contents Any questions? Contact: 3 **Summary Code Administrator** 3 Why Change? enquiries@gasg 3 Solution 4 overnance.co.uk **Relevant Objectives** 5 0121 288 2107 **Implementation** 6 Proposer: **Impacts** 6 6 **Debbie Brace** 6 7 Legal Text **Panel Discussions** 6 Deborah.brace@nati onalgrid.com Recommendation 01926 653233 About this document: Transporter: **National Grid NTS** This Final Modification Report was considered by the Panel on 15 October 2015. The Panel unanimously determined that this modification should be implemented. Deborah.brace@nati onalgrid.com Systems Provider: The Proposer recommends the following timetable: **Xoserve** Final Modification Report presented to Panel 15 October 2015 **UNC Modification Panel decision** 15 October 2015 commercial.enquirie

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# 1 Summary

### Is this a Self-Governance Modification?

The Modification Panel determined that this is a self-governance modification on the grounds that its implementation would not unduly discriminate between different classes of UNC parties or have a material effect on existing or future gas customers, competition, operation of the pipeline system(s), matters relating to sustainable development, safety or security of supply, or the management of the market or network emergencies.

#### Is this a Fast Track Self-Governance Modification?

The Modification Panel determined that this modification meets the Fast Track Self Governance criteria as it is introducing housekeeping changes to correct legal text errors.

## Why Change?

The legal text for Modification 0489 'EU Gas Balancing Code – Information Provision changes required to align the UNC with the EU Code', was based upon the legal text for Modification 0432 'Project Nexus Gas Demand, Estimation, Allocation, Settlement and Reconciliation reform'. Due to the delayed implementation of Modification 0432, a small change in legal text is necessary to remove any ambiguity in Code.

#### Solution

This Modification proposes the following changes:

UNC TPD E1.6.2(b) - for the purposes of paragraph 1.6.1(b), the 2nd Day following the Gas Flow
 Day Not used

No costs are associated with this change.

#### **Relevant Objectives**

This Modification will facilitate compliance with:

f) Promotion of efficiency in the implementation and administration of the Code.

### **Implementation**

As fast track self-governance procedures are proposed, implementation could be sixteen business days after a unanimous vote in favour of implementation by the Modification Panel, subject to no objection being raised.

Does this modification impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

There are no impacts as a result of this modification.

# 2 Why Change?

#### **Background**

The legal text for Modification 0489 'EU Gas Balancing Code – Information Provision changes required to align the UNC with the EU Code', was based upon the legal text for Modification 0432 'Project Nexus Gas Demand, Estimation, Allocation, Settlement and Reconciliation reform', which was due to be implemented on 1 October 2015. Due to the delayed implementation of Modification 0432, a small change in legal text is necessary to tidy up UNC TPD E 1.6.2(b).

# 3 Solution

UNC TPD E1.6.2(b) is to be amended to tidy up the text due to the delay of Modification 0432. It is anticipated that paragraph UNC TPD E 1.6.2(b) will be needed after Modification 0432 is implemented, so it should not be deleted at this stage but left as 'Not used'.

No costs are associated with this change.

User Pays		
Classification of the modification as User Pays, or not, and the justification for such classification.	No User Pays service would be created or amended by implementation of this modification as there is no system change required. It is not, therefore, classified as a User Pays Modification.	
Identification of Users of the service, the proposed split of the recovery between Gas Transporters and Users for User Pays costs and the justification for such view.	Not applicable	
Proposed charge(s) for application of User Pays charges to Shippers.	Not applicable	
Proposed charge for inclusion in the Agency Charging Statement (ACS) – to be completed upon receipt of a cost estimate from Xoserve.	Not applicable	

# 4 Relevant Objectives

Impact of the modification on the Relevant Objectives:		
Relevant Objective		Identified impact
a)	Efficient and economic operation of the pipe-line system.	None
b)	Coordinated, efficient and economic operation of  (i) the combined pipe-line system, and/ or	None
	(ii) the pipe-line system of one or more other relevant gas transporters.	
c)	Efficient discharge of the licensee's obligations.	None
d)	Securing of effective competition:  (i) between relevant shippers;  (ii) between relevant suppliers; and/or  (iii) between DN operators (who have entered into transportation arrangements with other relevant gas transporters) and relevant shippers.	None
e)	Provision of reasonable economic incentives for relevant suppliers to secure that the domestic customer supply security standards are satisfied as respects the availability of gas to their domestic customers.	None
f)	Promotion of efficiency in the implementation and administration of the Code.	Positive
g)	Compliance with the Regulation and any relevant legally binding decisions of the European Commission and/or the Agency for the Cooperation of Energy Regulators.	None

This modification is required to make a small change to UNC due to a delay to the implementation of Modification 0432 and therefore furthers Relevant Objective f) as it corrects a reference in Code and therefore removes any ambiguity.

# 5 Implementation

As fast track self-governance procedures are proposed, implementation could be sixteen business days after a unanimous vote in favour of implementation by the Modification Panel, subject to no objection being raised.

# 6 Impacts

# Does this modification impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

The legal text for Modification 0432 'Project Nexus Gas Demand, Estimation, Allocation, Settlement and Reconciliation reform ', will need to be amended to make a subsequent change to TPD E 1.6.2(b) when that Modification is implemented on 1 October 2016.

# 7 Legal Text

# **Legal Text Commentary**

UNC TPD E1.6.2(b) is to be amended to include 'Not used' as this paragraph will be required once Modification 0432 is implemented.

# **Legal Text**

Amend paragraph TPD E1.6.2(b) as follows:

"1.6.2(b) for the purposes of paragraph 1.6.1(b), the 2nd Day following the Gas Flow Day Not Used."

### 8 Panel Discussions

The Panel Chair summarised that Modification 0559FT is a housekeeping modification that seeks to correct a legal text reference, which is incomplete due to the delay in implementing the legal text for Modification 0432 'Project Nexus Gas Demand, Estimation, Allocation, Settlement and Reconciliation reform'.

Members considered the relevant objectives, agreeing that implementation would further objective f) promotion of efficiency in the implementation and administration of the Code, as it would ensure that due to the delayed implementation of Modification 0432, any potential ambiguity within Code is avoided.

Members voted unanimously to implement Modification 0559FT.

## 9 Recommendation

#### **Panel Recommendation**

Having considered the Modification Report, the Panel determined:

that proposed fast track self-governance Modification 0559FT should be made.