## Stage 04: Final Modification Report

# At what stage is this document in the process?

## 0562FT:

## 01 Modification

Amendment to the Effective Date of Modification 0519 'Harmonisation of Reference Conditions at Interconnection Points'



**Draft Modification** 

04 Final Modification Report

03

This Modification seeks to amend the effective date of Modification 0519.



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



High Impact:



Medium Impact:



Low Impact:

National Grid NTS, Shippers, Adjacent TSOs

## Contents

- 1 Summary
- 2 Why Change?
- 3 Solution
- 4 Relevant Objectives
- 5 Implementation
- 6 Impacts
- 7 Legal Text
- 8 Panel Discussions
- 9 Recommendation

## About this document:

This Final Modification Report was considered by the Panel on 15 October 2015. The Panel unanimously determined that this modification should be implemented.

The Proposer recommended the following timetable:

Modification presented to Panel	15 October 2015
UNC Modification Panel decision	15 October 2015



Any questions?

Contact:

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## 1 Summary

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

The Modification Panel determined that this is a self-governance modification because the proposed change is of a minor nature since it seeks to align the effective date of a previous Modification 0519 to the date when IT systems will be ready to implement it. Therefore, it will not have material effects and will not discriminate between different classes of parties to the UNC, relevant gas transporters, gas shippers or DN operators.

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

The Modification Panel determined that this Modification should be classed as fast track self-governance as it a housekeeping modification to deal with a factual change.

### Why Change?

National Grid NTS needs to amend the effective date of Modification 0519, which is written into the Code, to align with its Gemini system delivery timescale in respect of that modification. At the time of completion of 0519 the actual systems implementation date was unclear due to interactions with other, EU Phase 3 related, modifications.

No conflict with EU compliance is created since the EU Interoperability code becomes effective on 01 May 2016.

#### Solution

Amend the Transition Document Part VA, paragraph 2.2.1 to make the Modification 0519 solution effective from 1<sup>st</sup> May 2016 instead of 1<sup>st</sup> April 2016.

## **Relevant Objectives**

This modification would better facilitate relevant objectives (f) and (g) because it would align delivery of National Grid NTS' obligations under the EU Interoperability Network Code associated with common units requirements with the date of implementation of the relevant functionality into the Gemini system, ensuring that there can be no ambiguity.

#### **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?

This Modification does not impact an SCR or other significant industry change project.

## 2 Why Change?

Implementation of Modification 0519 requires new functionality to be implemented into Gemini to manage the difference in reference conditions in respect of the IUK and BBL Interconnection Points (IPs) which is part of the scope of Gemini changes planned for delivery in National Grid NTS' EU Phase 3 programme. When the legal text for Modification 0519 was prepared, the implementation date for EU Phase 3 was not precisely known and a best view of 1<sup>st</sup> April 2016 was included in that text. The delivery date for this new

functionality has now been confirmed as 1<sup>st</sup> May 2016 (which also aligns to the EU Interoperability Code compliance date) therefore the effective date of Modification 0519 needs to be amended accordingly.

## 3 Solution

Amend the Transition Document Part VA, paragraph 2.2.1 to make the Modification 0519 solution effective from 1<sup>st</sup> May 2016 instead of 1<sup>st</sup> April 2016.

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 and 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
<ul><li>b) Coordinated, efficient and economic operation of</li><li>(i) the combined pipe-line system, and/ or</li><li>(ii) the pipe-line system of one or more other relevant gas transporters.</li></ul>	None
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	None

	satisfied as respects the availability of gas to their domestic customers.	
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.	Positive

This modification would better facilitate relevant objectives (f) and (g) because it would align delivery of National Grid NTS' obligations under the EU Interoperability Network Code associated with common units requirements with the date of implementation of the relevant functionality into the Gemini system, ensuring that there can be no 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?

This Modification does not impact an SCR or other significant industry change project.

## 7 Legal Text

### **Text Commentary**

The legal text has the effect of amending the effective date of the solution under Modification 0519 from 1<sup>st</sup> April 2016 to 1<sup>st</sup> May 2016.

#### **Text**

#### **Transition Document Part VA**

Amend Transition Document Part VA, paragraph 2.2 as follows:

#### "2.2 Europe Reference Conditions

2.2.1 The provisions of EID Section A1.5 shall be effective from Gas Flow Day 1-April 1 May 2016".

### 8 Panel Discussions

The Panel Chair summarised that Modification 0562FT proposes to align the UNC with the actual implementation date of the systems to be delivered for Modification 0519 - Harmonisation of Reference Conditions at Interconnection Points, that are part of a package of EU-related changes. The original implementation date of 01 April 2016 was revised to 01 May 2016 after the full extent of EU-related changes had been determined. This remains compliant with the effective date of the EU Interoperability

#### Code.

Members considered the relevant objectives (f) and (g), agreeing that implementation would have a positive impact as it would amend the effective date of Modification 0519, aligning delivery of National Grid NTS' obligations under the EU Interoperability Network Code with the implementation date of the relevant functionality into the Gemini system.

Members voted unanimously to implement Modification 0562FT

## 9 Recommendation

#### **Panel Recommendation**

Having considered the Modification Report, the Panel determined:

• that proposed fast track self-governance Modification 0562FT should be made.