

## References to Ratchet Charges in the IGT UNC – excluding any future UNC text for UNC 665.

### History

From the initial release of the IGT UNC up to the version released for Single Service under IGT039, the only reference to Ratchet Charges was in Part CII paras 5.5 through 5.10

In the IGT039 text there were numerous instances where qualifications were added to the IGT UNC in relation to sections of the UNC that were now pointed across to. Because of the “point across approach” some additional references to Supply Point Ratchets in the UNC have effectively become incorporated into the IGT UNC. An example is where a User has received a Supply Point Offer for a DM Supply Point but before the Offer can be accepted via a Confirmation, a Supply Point Ratchet occurs. Prior to IGT039 the IGT UNC did not cater for this situation. Another example is in Part E 12 where a UNC paragraph (Section M 5.11 which deals with situations where no meter reading for a DM Supply Point has been obtained by Exit Close out) is incorporated into the IGT UNC but the reference to a Ratchet Day is overwritten by a clarification that any estimated read used for balancing will not trigger an increase in the Supply Point’s Registered DM Capacity.

### IGT UNC References

#### Part CI

##### 11 Supply Point Offers

11.1 For the purposes of this Clause 11 the provisions of Section G2.4 of the UNC shall apply with the following changes:

the words "in the case of an LDZ Supply Point" shall be deleted from paragraphs 2.4.2(d)(ii), 2.4.3, 2.4.5 and 2.4.10(b).

the reference in paragraph 2.4.1 to paragraph 2.4 shall be interpreted as a reference to paragraph 2.4 as incorporated into this Part CI by this Clause 11.1.

paragraph 2.4.2(c)(v) shall not apply.

the reference in paragraph 2.4.2(d)(i) to "the Applicable End User Category in accordance with Section H1.7" shall be interpreted as a reference to the applicable End User Category adopted and applied by the Pipeline Operator pursuant to Clause 3.3 of Part F.

the reference to Section H4.1 of the UNC in Clause 2.4.2(d)(ii) shall be interpreted as a reference to Clause 2 and 3 of Part B.

paragraph 2.4.2(l) shall not apply.

the references in paragraphs 2.4.3(a), 2.4.4 and 2.4.6 to paragraph 2.7.3 shall be interpreted as a reference to paragraph 2.7.3 as incorporated into this Part CI by Clause 14.1.

the reference in paragraph 2.4.5(d) to paragraph 2.7.4 shall be interpreted as a reference to paragraph 2.7.4 as incorporated into this Part CI by Clause 14.1.

the reference in paragraph 2.4.5(a) to paragraph 5.2 of Section G of the UNC shall be interpreted as a reference to paragraph 5.2 as incorporated into Part CII by Clause 2.1 of Part CII.

the reference in paragraph 2.4.5(b) to paragraph 5.1.4 of Section G of the UNC shall be interpreted as a reference to paragraph 5.1.4 as incorporated into Part CII by Clause 1.1 of Part CII.

the reference in paragraph 2.4.7(a) to paragraphs 1.6.20 and 1.6.22 shall be interpreted as a reference to paragraphs 1.6.20 and 1.6.22 as incorporated into this Part CI by Clause 6.

paragraph 2.4.12 shall not apply.

##### 14 Supply Point Confirmation for a Larger Supply Point and some Smaller Supply Points that are New Supply Points at non domestic premises

14.1 A Supply Point Confirmation in respect of a Larger Supply Point shall be made in accordance with Section G2.7 of the UNC, with the following changes:

the reference to paragraph 2.1.2(a) in paragraph 2.7.1 shall be interpreted as a reference to paragraph 2.1.2(a) as incorporated into this Part CI by Clause 8.

the reference in paragraph 2.7.1(c) to Section Q2.3 shall be interpreted as a reference to Clause 8 of Part I.

the reference to paragraphs 2.4.7(b) and 2.4.10 in paragraph 2.7.2 shall be interpreted as a reference to paragraphs 2.4.7(b) and 2.4.10 as incorporated into this Part CI by Clause 11.1.

**Commented [S1]:** Section G2.4 of the UNC references Supply Point Ratchet in 2.4.5 in relation to Supply Point Offers. In summary 2.4.5 deals with situations where a Ratchet occurs after an Offer in respect of a DM Supply Point has been issued.

**Commented [S2]:** Ensures the text also applies to IGT Supply Points

the words "in the case of an LDZ Supply Point" shall be deleted from paragraphs 2.7.3 and 2.7.4. the reference to paragraph 2.4.5(b) in paragraph 2.7.3(b) shall be interpreted as a reference to paragraph 2.4.5(b) as incorporated into this Part C1 by Clause 11.1. paragraph 2.7.6 shall not apply.

**Commented [S3]:** UNC G2.7.4 (a) references Supply Point Ratchets. Similar Code to 2.4.5 above but covers the period where a ratchet occurs after a Supply Point confirmation has been submitted but before the Supply Point Registration Date.

## Part CII

5.5 If for any reason on any Day (other than a Day in the months of June to September inclusive) the quantity of gas offtaken by a Pipeline User from the Pipeline at a Firm DM Supply Point exceeds the Pipeline User's Registered DM Capacity such Pipeline User shall be deemed to have applied for an increase in its Registered DM Capacity pursuant to Clause 1 in an amount subject to Clause 5.6 equal to the sum of its Registered DM Capacity and the amount ("Capacity Ratchet Amount") by which the aggregate quantity offtaken on such Day at all the DM Supply Meter Points in the DM Supply Point exceeds the Pipeline User's Registered DM Capacity.

**Commented [S4]:** This text has remained unchanged since the IGT UNC was originally implemented. It would appear to be a recognition that Users should declare their full capacity requirements for DM Supply Points on IGT networks in a similar fashion to the UNC incentives.

**Commented [S5]:** Generally equivalent to UNC B4.7 which relates to the Supply Point Ratchet rules. However there is additional detail in the UNC that is not covered in the IGT UNC – e.g. the UNC references Seasonal Large Supply Points.

5.6 Where, following a deemed application for an increase in capacity pursuant to Clause 5.5 the sum of the Capacity Ratchet Amount and the Pipeline User's Registered DM Capacity (the "Ratcheted DM Capacity") would exceed the Provisional Maximum DM Capacity the CDSP will inform the Pipeline Operator:

(a) with effect from the following Day, and until the Pipeline Operator has assessed whether it is feasible to make available gas for offtake (in a 24 hour period) in the amount of such sum, the Ratcheted DM Capacity shall be equal to the Provisional Maximum DM Capacity;

(b) with effect from the time at which the Pipeline Operator has assessed such feasibility and notified the CDSP, the Ratcheted DM Capacity shall be equal to the lesser of:

(i) the Maximum DM Capacity; and

(ii) the sum of the Pipeline User's Registered DM Capacity (immediately before the occurrence of the circumstances in Clause 5.5) and the Capacity Ratchet Amount;

(c) the CDSP on behalf of the Pipeline Operator will inform the Registered User of the Ratcheted DM Capacity determined under paragraph (b) as soon as reasonably practicable after assessing such feasibility.

5.7 Unless the Pipeline Operator's Network Code provides otherwise, in the circumstances in Clause 5.5, the Pipeline User shall pay a charge (the "Supply Point Ratchet Charge") in respect of the Capacity Ratchet Amount in accordance with Clause 5.9.

**Commented [S6]:** Does not appear that any IGT NC Network Code sets out specific rules

5.8 Unless the Pipeline User's Registered DM Capacity is increased other than pursuant to the deemed application made pursuant to Clause 5.5 until the last Day of the calendar month in which the circumstances in Clause 5.5 occurred, the Transportation Charges payable in respect of the Supply Point shall be determined on the basis of the Pipeline User's Registered DM Capacity on the Day on which the circumstances in Clause 5.5 occurred (and not on the basis of the Ratcheted DM Capacity).

5.9 The Supply Point Ratchet Charge shall be calculated as the Capacity Ratchet Amount multiplied by the sum of:

(a) 2 times the Applicable Annual Rate of the charge for Pipeline Capacity; and

(b) 2 times the Applicable Annual Rate of the Capacity Variable Component of the Customer Charge;

**Commented [S7]:** See IGT NC Network Code references below

the rate in each case being determined by reference to the sum of the Capacity Ratchet Amount and the Pipeline User's Registered DM Capacity at the DM Supply Point and the Registered Offtake Capacity at any NDM Supply Point on the Day on which circumstances in Clause 5.5 occurred.

5.10 The Supply Point Ratchet Charge will be invoiced and payable in accordance with Part G.

**Commented [S8]:** Question: Can a User pay GT Ratchet charges and IGT Ratchet charges? Whilst the CDSP will be aware of the fact that the Supply Point has exceeded its Registered DM Capacity, the DN Supply Point is not directly connected to a Large Transporter Network and thus the Large Transporter may only be concerned if the CSEP Registered Capacity has been breached.

## Part E

### 12 Class 1 and 2 Supply Meters – Failure to obtain meter readings by Exit Close-out

12.1 For the purposes of this Clause 12 the provisions of paragraph 5.11 of Section M of the UNC shall apply with the following changes:  
the reference to paragraph 5.6.2 of Section M of the UNC in paragraph 5.11.1(a) shall be interpreted as a reference to paragraph 5.6.2 as incorporated into this Part E by Clause 7.1  
the reference to paragraph 5.7.2 of Section M of the UNC in paragraph 5.11.1(a) shall be interpreted as a reference to paragraph 5.7.2 as incorporated into this Part E by Clause 8.1  
the words "the Day shall not be a Ratchet Day (in accordance with Section B4.7)" in paragraph 5.11.2 shall be substituted for the following:  
"the Pipeline User shall not be deemed to have applied for an increase in its Registered DM Capacity under Clause 5.5 of Part CII"  
paragraphs 5.11.1(b), 5.11.3, 5.11.4 and 5.11.5 shall not apply.

**Commented [S9]:** This change ensures consistency with the text in IGT UNC Part CII5.5.

#### Part M

"Capacity Ratchet Amount" shall have the meaning in Part CII5.5;

"Ratcheted DM Capacity" shall have the meaning in Part CII5.6;

**Commented [S10]:** Added in IGT039 although appears to be correcting an omission rather than an addition.

"Supply Point Ratchet" means an increase in capacity pursuant to Part CII5.5;

**Commented [S11]:** Added in IGT039 although not strictly needed as the term is not directly used in the IGT UNC

"Supply Point Ratchet Charge" shall have the meaning in Part CII5.7;

"Capacity Variable Component" shall have the meaning (if any) in the Pipeline Operator's Network Code;

#### Individual Network codes

Murphy, Harlaxton, IPL, QPL, Fulcrum, GTC, Indigo, Energy Assets, Energetics, GTC, ESP

2) For the purposes of the Code "Capacity Variable Component" shall mean in respect of a Customer Charge, the component (if any) thereof the amount of which is determined by reference to the amount of Offtake Capacity allocated to a Pipeline User pursuant to Part B.

#### Some immediate questions

1. Will the CDSP be able to detect if a Ratchet has occurred on an IGTS Supply Point (Class 1 or Class 2)?
  - a. If so, what action will they take? For example, would they inform the relevant IGT as per IGT UNC Part CII 5.5?
2. What will an IGT do if it is informed about a ratchet on one of their Supply Points?
  - a. The IGT UNC allows for a Ratchet Charge (CII5.5 to 5.10) but it is not clear how this would be invoiced and what supporting information would be supplied.
3. Re UNC Mod 0665 - Introduction of suitable classification of Ratchetable Supply Points & ensuring accurate Capacity Allocations (SOQ) – Are there DM Supply Points that the IGTS would demand remain as Class 1 – e.g. The relevant Transporter is able to demonstrate that if the specific Supply Point was not subject to the Ratchet regime it would constitute a material negative effect on its ability to discharge its licence to manage their pipe-line systems efficiently and economically and affected its Safety Case?
  - a. If these Supply Points remained as Class 1 would IGTs seek to impose the current Ratchet Charge (or something similar) and how would it be calculated?
  - b. If these Supply Points instead moved to Class 2 would IGTs seek to impose the Revised Ratchet Charge (or something similar) and how would it be calculated?
  - c. Would the CDSP be expected to take similar actions as per GT Class 1 and Class 2 supply points and revise the Registered DM Capacity for the Supply Point?

## UNC references (extracted text from the UNC that deals with Supply Point Ratchets – pre Mod 665)

### Section B

#### 1.3 Overrun Charges

1.3.1 A User may use the System without holding System Capacity but (subject to paragraphs 1.3.2 and 1.3.3) will be liable to pay System Entry Overrun Charges and/or NTS Exit (Flat) Overrun Charges (collectively "**Overrun Charges**") and/or LDZ CSEP Overrun Charges or **Supply Point Ratchet** Charges, in respect of the capacity utilised, in accordance with this Section B.

1.3.2 A User will not be liable to pay Supply Point Ratchet Charges for using a System by offtaking gas at an Interruptible Supply Point on a Day on which the User was liable pursuant to Section G6 in respect of a failure to comply with the requirement for Interruption.

1.3.3 If:

- (a) the Transporter rejects an application by a User for System Capacity other than in accordance with the provisions of the Code; and
- (b) reasonably promptly thereafter the User so notifies the Transporter, stating that it wishes the application to be given effect with effect from the date which was specified in the application

the User shall not be liable for any Overrun Charge, CSEP Overrun Charge or Supply Point Ratchet Charge which it would not have incurred had the application for System Capacity been approved (and where any such charge has been invoiced and/or paid, appropriate invoice adjustments will be made in accordance with Section S).

1.3.4 Where:

- (a) a User incurs an Overrun Charge, Supply Point Ratchet Charge or CSEP Overrun Charge on a Day on which (by reason of a change in the time from BST to GMT) there are 25 hours in a Day; and
- (b) the User (by notice to the Transporter specifying the relevant System Point) requests the Transporter to redetermine the amount of such charge the amount of the relevant charge will be redetermined as though (for the purposes of this paragraph 1.3.4 only) the User's UDQI or (as the case may be) UDQO for the Day were 24/25 of the amount thereof determined pursuant to Section E, and (where the amount of the charge is invoiced or has been paid) an appropriate adjustment (by way of invoice credit in accordance with Section S) will be made.

1.7.5 In respect of a Customer Charge:

- (a) the "**Capacity Variable Component**" is the component (if any) thereof of the amount of which is determined by reference to the amount of a User's Registered Supply Point Capacity;

#### 1.11 Daily Read Errors

Where (pursuant to Sections M5.15 and E3.4) for a Daily Read Error Day an Error Revised UDQO has been determined for a DM Supply Point:

- (a) the Transporter will redetermine, as nearly as may be, the amounts (if any) for which the User would have been liable by way of NTS Exit Overrun Charge and/or in the case of an LDZ Supply Point a **Supply Point Ratchet Charge**, and the amount of any Ratcheted Supply Point Capacity (and any increment in Transportation Charges payable by the User in respect of such capacity), on the basis of the Error Revised UDQO;
- (b) the amounts for which the User is liable in respect of such charges will be

**Commented [S12]:** Not referenced by the IGT UNC other than for a reference in Part E 12. Significant as this is the main area that manages Ratchets in the UNC.

determined accordingly, and invoice adjustments will be made, by way of debit or credit as appropriate, in accordance with Section S.

#### **1.20 CDSP Functions**

1.20.1 Agency Functions of the CDSP to support implementation of this Section B are:

- (a) calculating Transportation Charges, Overrun Charges, CSEP Overrun Charges and Supply Point Ratchet Charges; and
- (b) maintaining a record of Users Registered and Available System Capacity holdings.

#### **4.7 Supply Point Ratchet**

4.7.1 Subject to paragraph 1.3.2, and paragraphs 4.7.8, 4.7.9 and 4.7.10 and 4.7.12 if for any reason:

- (a) in respect of a DM Supply Point (other than a Seasonal Large Supply Point) on any Day, other than a Day in the months of June to September inclusive, or
  - (b) in respect of a Seasonal Large Supply Point, on any Day,
- the quantity of gas offtaken by a User from the Total System at a DM Supply Point exceeds the User's Registered DM Supply Point Capacity (such occurrence being in each case a "**Supply Point Ratchet**"), then in each such case:

(i) the User's Registered DM Supply Point Capacity at that Supply Point shall automatically be increased with effect from the following Day in accordance with paragraph 4.7.3; and

(ii) subject to paragraph 4.7.11, the User shall pay a charge ("**Supply Point Ratchet Charge**") in respect of the Capacity Ratchet Amount in accordance with paragraph 4.7.6.

4.7.2 For the purposes of this Section B, subject to paragraph 4.7.8, the "**Capacity Ratchet Amount**" shall be the amount by which the User's UDQO on the Day of the Supply Point Ratchet in respect of the DM Supply Point exceeds the User's Registered DM Supply Point Capacity.

4.7.3 Subject to Section G5.5.5, the increased amount (the "**Ratcheted Supply Point Capacity**") of the User's DM Registered Supply Point Capacity shall be the sum of the User's Registered DM Supply Point Capacity on the Day of the Supply Point Ratchet and the Capacity Ratchet Amount.

4.7.4 Notwithstanding paragraph 4.7.3, and unless the User's Registered Supply Point Capacity is increased other than pursuant to the Supply Point Ratchet, until the last Day of the calendar month in which the Supply Point Ratchet occurred the LDZ Capacity Charge and the Capacity Variable Component of the Customer Charge payable in respect of the Supply Point shall be determined on the basis of the User's Registered DM Supply Point Capacity on the Day of the Supply Point Ratchet (and not on the basis of the Ratcheted Supply Point Capacity).

4.7.5 For the avoidance of doubt the User's Registered LDZ Capacity will be increased so as to be equal to the Ratcheted Supply Point Capacity in accordance with paragraph 4.4.

4.7.6 The Supply Point Ratchet Charge shall be calculated as the Capacity Ratchet Amount multiplied by the sum of:

(a) 2 times the Applicable Annual Rate (including where determined in accordance with paragraph 1.8.5(a)) of the LDZ Capacity Charge; and

(b) where applicable, 2 times the Applicable Annual Rate of the Capacity Variable Component (if any) of the Customer Charge

the rate in each case being determined (where such rate is a function of LDZ Capacity or Supply Point Capacity) by reference to the sum of the Capacity Ratchet Amount and the User's Registered Supply Point Capacity at the DM and any NDM Supply Point on the Day of the Supply Point Ratchet.

4.7.7 Subject to paragraph 4.7.11, the Supply Point Ratchet Charge shall be invoiced and payable in accordance with Section S.

4.7.8 Where a DM Supply Point comprises a Shared Supply Meter Point:

- (a) paragraph 4.7.1 shall apply only if and to the extent that the aggregate quantity offtaken from the Total System by all Sharing Registered Users at the DM Supply Points which comprise such Shared Supply Meter Point exceeds the

aggregate of such Users' Registered Supply Point Capacity, other than capacity which is excluded pursuant to Section G1.7.20(d)(i), at such Supply Point the amount of such excess (the "**aggregate ratchet excess**");

(b) for each such Sharing Registered User, the Capacity Ratchet Amount shall be determined as the amount (the "**individual ratchet excess**") by which that User's UDQO exceeds its Registered Supply Point Capacity, divided by the sum of the individual ratchet excesses for all such Sharing Registered Users, multiplied by the aggregate ratchet excess.

4.7.9 Without prejudice to Section G2.7.3 to 2.7.6 (inclusive), where in accordance with Section G2.3.1 the Proposing User has submitted a Supply Point Confirmation of the Supply Point Offer made in respect of the Supply Point First Nomination ("**Supply Point First Confirmation**") and this has become effective and has been registered in the name of the Proposing User ("**Supply Point First Registration**") and subsequent to the date of such Supply Point First Registration such User incurs and pays a Supply Point Ratchet Charge in respect of such Supply Point then, where such Proposing User has also submitted a Supply Point Confirmation of the Supply Point Offer made in respect of the Supply Point Second Nomination ("**Supply Point Second Confirmation**") and this has become effective and has been registered in the name of the Proposing User ("**Supply Point Second Registration**") then, subject to paragraph 4.7.10, the Transporter will reimburse the User the amount of such Supply Point Ratchet Charge which has been paid by the User for the period of 18 Days commencing from the Supply Point First Registration Date.

4.7.10 The amount of such reimbursement in accordance with paragraph 4.7.9 shall not exceed the amount of the Supply Point Ratchet Charge which applies in respect of the Confirmed Supply Point Capacity for the Supply Point Second Registration. For the purpose only of calculating the amount of such reimbursement, such Confirmed Supply Point Capacity shall not be treated as increased in accordance with Section G2.7.4(a) as a result of the occurrence of a Supply Point Ratchet.

4.7.11 Where on any Day(s) in any relevant Billing Period, on the occurrence of a Supply Point Ratchet the User's Registered DM Supply Point Capacity is greater than or equal to the Provisional Maximum Supply Point Capacity (the "**Relevant Day(s)**"), only the highest Supply Point Ratchet Charge incurred on the Relevant Day(s) in such relevant Billing Period shall be invoiced and payable in accordance with paragraph 4.7.7.

4.7.13 Where this paragraph 4.7.13 applies, for a period starting with the Supply Point Registration Date or (as the case may be) effective date of the Supply Point Amendment, and ending on the earlier of:

- (a) the expiry of a period of 12 months; or
- (b) the date (if any) when the DM Supply Point Capacity becomes less than the NDM Supply Point Capacity as referred to in paragraph 4.7.12(d); or
- (c) the Supply Point Registration Date of any subsequent Supply Point Registration pursuant to which a User other than the Existing User becomes the Registered User

the Registered User shall not be liable for any Supply Point Ratchet Charge in respect of the Supply Point (but without prejudice to paragraph 4.7.1(b)(i)).

## **Section E**

### **1.1 User Daily Quantities**

1.1.1 For the purposes required by the Code, including determining:

- (a) NTS and LDZ Commodity Charges, and the Commodity Variable Component (if any) of Customer Charges;
- (b) Overrun Charges, CSEP Overrun Charges and **Supply Point Ratchet Charges**;
- (c) Daily Imbalances; and
- (d) Scheduling Charges

the quantities of gas treated as delivered to and offtaken from the Total System by each User each Day shall be determined in accordance with paragraphs 2 and 3.

### 3.4 Daily Read Errors

3.4.1 Where pursuant to Section M6.6 an Error Revised Quantity is established in respect of a Class 1 or 2 Supply Point for a Daily Read Error Day after the Exit Close-out Date:

- (a) the Transporter will, as soon as reasonably practicable, determine (as nearly as may be) the amount (the “**Error Revised UDQO**”) of the UDQO for the relevant DM Supply Point for the Day on the basis of such Metered Quantity;
- (b) adjustments will be made in respect of any Overrun Charges **or Supply Point Ratchet Charges** in accordance with Section B1.11 and in respect of certain Balancing Charges in accordance with Section F1.4;
- (c) except as provided in paragraph (b), in accordance with paragraph 1.8.2 no revision or recalculation of the quantities treated as offtaken from the System by Users, Users' Daily Imbalances or any Balancing Charges on or for the Daily Read Error Day will be made.

### Section G

2.4.5 In the case of an LDZ Supply Point where the Proposed Supply Point is a DM Supply Point, at any time at which the Proposing User has not submitted a Supply Point Confirmation:

- (a) if the Prevailing Supply Point Capacity becomes greater than the Offered Supply Point Capacity, as a result of **the occurrence in any month of a Supply Point Ratchet (pursuant to Section B4.7)** in respect of any Existing Supply Point the CDSP will so notify the Proposing User whereupon the Supply Point Offer will lapse (but without prejudice to any Supply Point Confirmation submitted before such notification was given, in respect of which paragraph 2.7.4 will apply);
- (b) if the Prevailing Supply Point Capacity becomes greater than the Offered Supply Point Capacity, as a result of a Capacity Revision Application (in accordance with paragraph 5.1.4) made by the Registered User for an increase in Supply Point Capacity in respect of any Existing Supply Point, paragraph 2.7.3 shall apply.

**Commented [S13]:** Directly referenced by the IGT UNC in Part Cl 11 Supply Point Offers – see above

2.7.4 In the case of an LDZ Supply Point where the Proposed Supply Point is a DM Supply Point, at any time after a Supply Point Confirmation is submitted but before the Supply Point Registration Date:

- (a) if the Prevailing Supply Point Capacity becomes greater than the Offered Supply Point Capacity, **as a result of the occurrence of a Supply Point Ratchet** (pursuant to Section B4.7.1) in respect of any Existing Supply Point the Confirmed Supply Point Capacity will be increased to the Prevailing Supply Point Capacity;
- (b) if the Prevailing Supply Point Capacity becomes greater than the Offered Supply Point Capacity, as a result of the Registered User in respect of any Existing Supply Point applying for an increase in its Registered Supply Point Capacity, the Confirmed Supply Point Capacity will be the Offered Supply Point Capacity.

**Commented [S14]:** Deleted in the IGT UNC point across in Part Cl 14 (Supply Point Confirmations for Larger Supply Points) – see above

5.5.5 Where, following the **occurrence of a Supply Point Ratchet in relation** to a DM Supply Point, the sum of the **Capacity Ratchet Amount** and the User's Registered Supply Point Capacity would exceed the Provisional Maximum Supply Point Capacity the CDSP will inform the Transporter:

- (a) with effect from the following Day, and until the Transporter has assessed whether it is feasible to make available gas for offtake (in a 24 hour period) in the amount of such sum, the Ratcheted Supply Point Capacity shall be equal to the Provisional Maximum Supply Point Capacity;
- (b) with effect from the time at which the Transporter has assessed such feasibility and notified the CDSP, the Ratcheted Supply Point Capacity shall be equal to the lesser of:
  - (i) the Maximum Supply Point Capacity; and
  - (ii) the sum of the User's Registered Supply Point Capacity (immediately before the Supply Point Ratchet) and the Capacity Ratchet Amount; and

(c) the CDSP will inform the Registered User of the Ratcheted Supply Point Capacity determined under paragraph (b) as soon as reasonably practicable after such feasibility was assessed by the Transporter and notified to the CDSP.

## Section M

### 5.11 Class 1 and 2 Supply Meters - Failure to obtain meter readings by Exit Close-out

5.11.1 Where for any Day (a "Failed Daily Read Day") a Valid Daily Meter Reading in respect of a Class 1 or 2 Supply Meter is not obtained by the Exit Close-Out Date:

- (a) an estimated Metered Volume for the Failed Daily Read Day shall (in accordance with paragraph 5.6.2 or 5.7.2) be used;
- (b) there will be a subsequent Offtake Reconciliation in accordance with paragraph 5.11.3.

5.11.2 Where a Day is a Failed Daily Read Day, except in the circumstances in paragraph 5.11.4(a), irrespective of the Metered Quantity derived from the assumed Metered Volume determined under paragraph 5.11.1, the Day shall not be a Ratchet Day (in accordance with Section B4.7).

the words "the Day shall not be a Ratchet Day" (in accordance with Section B4.7)" in paragraph 5.11.2 shall be substituted for the following: "the Pipeline User shall not be deemed to have applied for an increase in its Registered DM Capacity under Clause 5.5 of Part CII"

## Section Q

### 4.1 Suspension of certain provisions of the Code

4.1.1 In respect of each Day or part of a Day during a Stage 2+ GDE:

- (a) the provisions of:
  - (i) Section B as to Overrun Charges, LDZ CSEP Overrun Charges and Supply Point Ratchets will not apply;

## Section S

### 3 LDZ Capacity Invoice

An "LDZ Capacity Invoice" is an Invoice Document in respect of the following Invoice Items:

- (a) LDZ Capacity Charges;
- (b) Customer Charges - Capacity Variable Component;
- (c) Customer Charges - Fixed Component;
- (d) Supply Point Ratchet Charges – LDZ Capacity Charges; and
- (e) Supply Point Ratchet Charges – Capacity Variable Component of Customer Charge.

**Commented [S15]:** Referenced by the IGT UNC in Part E12.1

**Commented [S16]:** Replaced in the IGT UNC by "the Pipeline User shall not be deemed to have applied for an increase in its Registered DM Capacity under Clause 5.5 of Part CII"