

Draft - August 2023

Legal drafting IGT 169:

Incorporating the amendments made in General Terms Section B, Annex-B-3 paragraphs 5.1, 5.2, 6.1, 6.2 and 6.5 and the addition of new paragraph 5.5 into the IGT UNC for UNC modifications 0701 and 0853.

IGT UNC Part CII

4 Absolute Requirement

4.1 For the purposes of this Clause 4 the provisions of paragraph 5 of Section B Annex B-3 of the UNC shall apply with the following changes:

the word "NExA" shall be replaced by 'LCAA'

the words "~~provided that~~ in the case of an NTS ~~Supply Point the User's Supply Point Capacity shall be~~ equal to 24 times the Supply Point Offtake Rate" in paragraph 5.1 of shall be deleted

paragraph 5.4 shall not apply.

5 Other Requirements

5.1 For the Purposes of this Part CII in respect of a DM Supply Point:

(a) the "**Maximum Supply Point Capacity**" is

(i) where the DM Supply Point is the subject of an LDZ CSEP Ancillary Agreement (LCAA),

a. any maximum daily rate of offtake specified in the LCAA or

b. where not specified in the LCAA, 24 times any maximum offtake hourly rate specified in the LCAA

(ii) where not the subject of an LDZ CSEP Ancillary Agreement (LCAA), the quantity which the Pipeline Operator determines to be the maximum quantity which it is feasible to make available for offtake in a 24-hour period at the DM Supply Point

~~(a)~~

(b) the "**Maximum Supply Point Offtake Rate**" is

(i) where the DM Supply Point is the subject of an LDZ CSEP Ancillary Agreement (LCAA),

a. any maximum offtake rate specified in the LCAA

~~(b)~~(ii) where not the subject of an LDZ CSEP Ancillary Agreement (LCAA), the instantaneous rate of offtake (in kWh/hour) which the Pipeline Operator determines to be the maximum instantaneous rate at which it is feasible to make gas available for offtake at the DM Supply Point

in each case consistently with the requirements of Clause 5.

5.2 The "**Provisional Maximum Supply Point Capacity**" in respect of the DM Supply Point of a Supply Point (other than a Proposed Supply Point which is a New Supply Point) is whichever is the lesser of:

(a) 2 times the Prevailing Supply Point Capacity; ~~and~~

~~(b)~~ 16 times the Supply Point Offtake Rate or (in the case of a Proposed Supply Point) Nominated Supply Point Offtake Rate ~~and~~

~~(b)~~(c) where the DM Supply Point is subject to an LCAA, any maximum rate of offtake specified in the LCAA.

5.3 Where a Proposing User submits a Registration Nomination for

- (a) an Existing Supply Point in which the Nominated Supply Point Capacity exceeds the Provisional Maximum Supply Point Capacity, or the Nominated Supply Point Offtake Rate exceeds the Supply Point Offtake Rate for the Existing Supply Point or
- (b) a New Supply Point

then paragraph 6.3 of Annex B-3 of Section B of the UNC shall apply. For the purposes of paragraph 6.3 of Annex B-3 of Section B of the UNC the word “Transporter” shall mean both the “Large Transporter” and “Pipeline Operator”.

5.4 Where the Registered User of a DM Supply Point

- (a) submits a Capacity Revision Application (for an increase) in which the increased Supply Point Capacity exceeds the Provisional Maximum Supply Point Capacity, or the Supply Point Offtake Rate (applied for under Clause 3) exceeds the prevailing Supply Point Offtake Rate or
- (b) applies for an increased Supply Point Offtake Rate pursuant to Clause 3

then paragraph 6.4 of Annex B-3 of Section B of the UNC shall apply.

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.

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 Supply Point 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 Supply Point 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 Supply Point 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; and

~~(ii)~~(iii) where an LCAA exists, any maximum rate of offtake specified in the LCAA; and

- (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.
- 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;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.