

**CODE MODIFICATION PROPOSAL AO70**  
**INCH ENTRY POINT**

1. Part A (*Definitions*) shall be modified by including the following definitions in Part A:

"Inch Storage Gas (Entry)" means Natural Gas [sourced from] [stored in] the Inch Storage Facility for delivery to the Transportation System at the Inch Sub-Entry Point (Storage) at the Inch Entry Point.

"Inch Production Gas" means Natural Gas which is produced from the Gas Source upstream of the Inch Entry Point for delivery to the Transportation System at the Inch Sub-Entry Point (Production) at the Inch Entry Point;

"Inch Sub-Entry Point (Storage)" means the notional entry point at the Inch Entry Point at which Inch Storage Gas (Entry) is delivered or is tendered for delivery to the Transportation System.

"Inch Sub-Entry Point (Production)" means the notional entry point at the Inch Entry Point at which Inch Production Gas is delivered or tendered for delivery to the Transportation System.

2. Part H (*Operations*) shall be modified as follows:

- (i) by inserting the following new sub-sections 3.3. to 3.3.21:

"3.3.3 The Inch Entry Point shall remain a single Entry Point but shall comprise two notional sub-entry points:

- (a) the Inch Sub-Entry Point (Storage); and
- (b) the Inch Sub-Entry Point (Production).

3.3.4 The Inch Entry Point shall for the purpose of this Code be treated as comprising two sub-entry points to facilitate the separate Tariffs as referred to at sub-section 3.3.5. The provisions of sub-sections 3.3.5 to 3.3.21 below inclusive shall apply at the Inch Entry Point and are supplemental to and not in substitution for any other provisions of this Code. In the event of conflict between the provisions of sub-sections 3.3.5 to 3.3.21 and the remaining provisions of the Code sub-sections 3.3.5 to 3.3.21 shall prevail.

3.3.5 Two separate tariffs apply at the Inch Entry Point, one such Tariff to be applied to capacity booked by a Shipper at the Inch Entry Point and which is notified by the Shipper to the Transporter as booked at the Inch Sub-Entry Point (Storage) and the other such Tariff to be applied to capacity booked by a Shipper at the Inch

Entry Point and which is notified by the Shipper to the Transporter as booked at the Inch Sub-Entry Point (Production).

3.3.6 The Technical Capacity at the Inch Entry Point for a Day shall not be described by the Transporter as available at either the Inch Sub-Entry Point (Storage) or the Inch Sub-Entry Point (Production) and shall be available to meet all requests for capacity at the Inch Entry Point irrespective of whether such request relate to the Inch Sub-Entry Point (Storage) or the Inch Sub-Entry Point (Production). Available Capacity will be allocated to Shippers on a first come first served basis in accordance with the provisions of this Code.

3.3.7 Without prejudice to the remaining provisions of this section 3.3, the provisions of:

- (a) Part C (*Capacity*) with respect to Entry Capacity Bookings, Entry Capacity Overruns, Entry Capacity Trades; and
- (b) Part D (*Nominations, Allocations and NDM Supply Point Administration*), Allocations and related provisions; and
- (c) Part H (*Operations*) Section 1 and 2; and
- (d) Part I (*Legal & General*) Sections 2, 4, 6 and 11

shall be applied separately and independently with respect to the Inch Sub-Entry Point (Storage) and Inch Sub-Entry Point (Production), and Capacity Bookings which identify the Inch Sub-Entry Point (Storage) and the Inch Sub-Entry Point (Production) as if each of them is a separate and independent Entry Point for the purpose of this Code.

3.3.8 At the Inch Entry Point a Shipper shall be required to have:

- (a) an Entry Capacity Booking which has been notified by the Shipper to the Transporter as related to the Inch Sub-Entry Point (Storage) in order to have the right to submit Nominations for, and deliver, Inch Storage Gas (Entry) to the Transportation System at the Inch Entry Point; and/or
- (b) an Entry Capacity Booking which has been notified by the Shipper to the Transporter as related to the Inch Sub-Entry Point (Production) in order to have the right to submit Nominations for, and deliver, Inch Production Gas to the Transportation System at the Inch Entry Point.

3.3.9 All references in this Code to Entry Capacity, Active Entry Capacity, and Available Active Entry Capacity shall apply separately with respect to Entry Capacity required to deliver Inch Storage Gas (Entry) or Inch Production Gas such that a Shipper shall have a single aggregate Active Entry Capacity and Available Active Entry Capacity at the Inch Entry Point subdivided into an Active Entry Capacity at the Inch Sub-Entry Point (Storage)

and/or an Active Entry Capacity at the Inch Sub-Entry Point (Production) in respect of Entry Capacity notified to the Transporter in accordance with sub-section 3.3.10 as required for the Inch Sub-Entry Point (Storage) and Inch Sub-Entry Point (Production);

- 3.3.10 A Shipper, submitting an Entry Capacity Request at the Inch Entry Point must, in addition to the information which is required pursuant to Part C (*Capacity*) Section 3 notify the Transporter whether the Entry Capacity Request is for capacity at the Inch Sub-Entry Point (Storage) or the Inch Sub-Entry Point (Production).

Where the Shipper fails to notify the Transporter as required pursuant to this section 3.3.10 the Shippers Entry Capacity Request shall be treated as an application for Entry Capacity at the Inch Sub-Entry Point (Production).

- 3.3.11 Where a Shipper submits an Entry Capacity Trade Registration Request pursuant to Part C (*Capacity*) Section 4 (*Entry Capacity Trades*), which Entry Capacity Trade Registration Request specifies the Inch Entry Point the Shipper shall notify the Transporter whether the request is in respect of the Shippers Capacity Booking which has been notified as required for the Inch Sub-Entry Point (Storage) or Capacity Booking which has been notified as required for the Inch Sub-Entry Point (Production) (unless the Shipper has a Capacity Booking in respect of only one of them) in which case the application will be deemed to refer to that Capacity Booking.

An Entry Capacity Trade which refers to Entry Capacity at the Inch Sub-Entry Point (Storage) will reduce the Active Entry Capacity of the Transferor Shipper in respect of the Inch Sub-Entry Point (Storage) and increase the Active Entry Capacity of the Transferee Shipper in respect of the Inch Sub-Entry Point (Storage).

An Entry Capacity Trade in respect of Entry Capacity which refers to the Inch Sub-Entry Point (Production) shall reduce the Active Entry Capacity of the Transferor Shipper at the Inch Sub-Entry Point (Production) and increase the Active Entry Capacity of the Transferee Shipper at the Inch Sub-Entry Point (Production).

- 3.3.12 The Transporter shall, at any time up to the end of the Month following the Month in which the proposed Entry Capacity Trade Registration Request is to commence (being the start Day specified in the Entry Capacity Trade Registration Request) reject an Entry Capacity Trade Registration Request which specifies the Inch Entry Point if the Shipper is required to but does not notify the Transporter whether the Entry Capacity Trade Registration Request is in respect of Entry Capacity at the Inch Sub-Entry Point (Storage) or Entry Capacity at the Inch Sub-Entry Point (Production) and the Transporter shall re-adjust (to the extent necessary) the single aggregate Active Entry Capacity and/or the

Active Entry Capacity at the Inch Sub-Entry Point (Storage) and/or the Active Entry Capacity at the Inch Sub-Entry Point (Production) of each of the Transferor Shipper and the Transferee Shipper accordingly

Each Shipper shall be liable to Overrun Charges as if the Entry Capacity Trade Registration Request had been rejected when submitted and, notwithstanding that the Active Entry Capacity of the Shipper may have been adjusted pending such notification, the Shipper may not receive notification from the Transporter of such rejection until M + 12.

3.3.13 At the Inch Entry Point, for the purposes of determining Entry Capacity Overruns and Entry Capacity Overrun Quantities and the applicable Overrun Charges at the Inch Entry Point Part C (*Capacity*) sections 11.1, 11.2 and 11.3.4 shall be treated as applying separately to a Shippers Capacity Bookings which have been notified as required for the Inch Sub-Entry Point (Storage) and those Capacity Bookings which have been notified as required for the Inch Sub-Entry Point (Production) and Allocations in respect of Inch Storage Gas (Entry) and Inch Production Gas. For the avoidance of doubt a Shippers Entry Capacity Overrun Tolerance shall apply separately in respect of Allocations and Capacity Bookings in respect of the Inch Entry Gas (Storage) and Inch Production Gas however, the variance tolerance (if any) shall be calculated in respect of the Inch Entry Point and applied separately (where relevant) in respect of Allocations for Inch Storage Gas (Entry) and Inch Production Gas.

3.3.14 A Shipper shall have a single prevailing Valid Nomination and/or a single prevailing Valid Renomination specifying a single Nominated Quantity at the Inch Entry Point which shall include the Shippers aggregate Nominations for both Inch Storage Gas (Entry) and Inch Production Gas. A Shipper shall not be required to specify in respect of each Nomination or Renomination submitted by the Shipper at the Inch Entry Point whether the Nomination or Renomination is made in respect of Inch Storage Gas (Entry) or Inch Production Gas.

3.3.15 Where a Bi-Directional CSP Agent has been appointed at the Inch Entry Point Shippers shall procure that such Bi-Directional CSP Agent shall in respect of each initial entry allocation and/or each final entry allocation notified by the Bi-Directional CSP Agent to the Transporter, specify whether such allocation is in respect of Inch Storage Gas (Entry) or Inch Production Gas.

The Transporter may in addition to any other reasons for rejection of any allocations or reallocations submitted by the Bi-Directional CSP Agent reject any Allocations submitted by the Bi-Directional CSP Agent that fail to identify whether the Allocation is in respect of Inch Storage Gas (Entry) or Inch Production Gas.

- 3.3.16 If the Transporter is obliged to make Allocations at the Inch Entry Point in accordance with Part D (*Nominations, Allocations and Supply Point Administration*) Section 2.14 the Transporter shall allocate the quantity of Natural Gas metered as delivered at the Inch Entry Point on that Day pro-rata across all Shipper Nominations for the Inch Entry Point on that Day. The Transporter shall sub-allocate each Shippers Entry Allocation as between Inch Storage Gas (Entry) and Inch Production Gas such sub-allocation to be made pro-rata to the Shippers Active Entry Capacity at the Inch Sub-Entry Point (Storage) and the Inch Sub-Entry Point (Production).
- 3.3.17 Shippers will receive separate Allocations (including for the avoidance of doubt Initial Allocations and Reallocations) with respect to Inch Storage Gas (Entry) and Inch Production Gas in accordance with the provisions of section 2 (including the provisions of section 2.12 to 2.15) of Part D (*Nominations, Allocations and NDM Supply Point Reconciliation*) and this section 3.3.
- 3.3.18 At the Inch Entry Point for the purposes of determining a Shippers Restricted Capacity Percentage on a Restricted Capacity Day, the provisions of Part H (Operations) section 2.5.2 shall be applied separately and independently with respect to the Inch Sub-Entry Point (Storage) and Inch Sub-Entry Point (Production).
- 3.3.19 Notwithstanding any provision of Part I (Legal and General) section 8 (Notices) any notification or additional information to be issued by a Shipper to the Transporter in accordance with sub-section 3.3.3 to 3.3.21 shall be submitted utilising the GNI (IT) Systems or such other method as may be prescribed by the Transporter from time to time.
- 3.3.20 At the Inch Entry Point
- (a) Shippers shall have a separate Entry Scheduling Quantity, Entry Scheduling Tolerance, Entry Scheduling Charge Quantity and Entry Scheduling Charges for the Shippers Valid Entry Nominations for Inch Storage Gas (Entry) and Inch Production Gas respectively;
  - (b) the Transporter shall not apply Shrinkage Costs to Natural Gas allocated to a Shipper in respect of a Day at the Inch Entry Point for Inch Storage Gas (Entry) but for the avoidance of doubt Shrinkage Costs shall apply for Natural Gas allocated to a Shipper at the Inch Entry Point in respect of a Day for Inch Production Gas and sections 2.3 to 2.6 of Part E (Balancing Shrinkage) shall be construed accordingly.
- 3.3.21 Invoices issued to a Shipper by the Transporter pursuant to Part I (*Legal & General*) section 11, shall separately identify with respect to the Invoice Items listed in section 11.3.6 whether those Invoice

Items are for Inch Sub-Entry Point (Storage) or Inch Sub-Entry Point (Production)."