

# CODE OF OPERATIONS MODIFICATION PROPOSAL



## MODIFICATION DETAILS

<b>Modification Number:</b> A063		<b>Modification Title:</b> Nominations, Imbalance Charges, & Allocations: <i>EU Network Code Implementation</i>		
<b>Modification Proposer:</b>	<b>Modification Representative:</b>	<b>Modification Representative Contact Details:</b>	<b>Date Submitted:</b>	<b>Proposed Implementation Date:</b>
Transporter	Aidan Hogan	marketarrangements@gaslink.ie	21/08/2014	1 October 2015

### Proposal:

The proposed modification intends to incorporate requirements of Regulation EU 312/2014 (Balancing Network Code) and certain aspects of the **draft** Interoperability and Data Exchange Network Code (INT & DE NC) in the Code of Operations. The Network Codes seek to establish harmonised and consistent pan-European arrangements, including in the areas of information provision, Nominations, Daily Imbalance Charges and Allocations. This modification proposal aims to reflect such harmonisation in the Gaslink Code. The key subject areas which will be addressed as part of this modification proposal are as follows:

- **Information Provision**
  - Communication of NDM forecasts, metering information, Allocations, Daily Imbalance Quantities etc.
- **Nominations**
  - Nomination windows, submission of Nominations, Nomination rejection criteria
  - Single Sided Nominations (bundled capacity) and Double Sided Nominations (unbundled capacity) at Interconnection Points
  - Processing and matching of Nominations by adjacent TSOs at Interconnection Points
- **Daily Imbalance Charges & Disbursements**
  - Daily Imbalance Quantity calculation methodology, applicable price, tolerances, disbursements account
- **Allocations**
  - Allocation methodology at Interconnection Points, Operational Balancing Account

The following should be noted in relation to the proposed modification:

- The INT & DE NC is not yet finalized and is currently progressing through the EU comitology process. However, given the overlap in its requirements (in respect of Nominations and Allocations) with those of Regulation 312/2014, the Transporter deems it prudent to incorporate the provisions of the draft INT & DE NC so that the timely implementation of Regulation 312/2014 is not unduly compromised.
- The requirements of Chapter 3 'Operational Balancing' of Regulation 312/2014 is not included within the scope of this modification and will be addressed via a separate process.

### Proposed Implementation Date:

Regulation EU 312/2014, establishing a Network Code on Gas Balancing of Transmission Networks (the 'Balancing Network Code'), specifies an implementation date of 1 October 2015.

### Proposed section of the Code to be modified:

Part A:	Definitions & Interpretations
Part D:	Nominations, Allocations & Supply Point Reconciliation
Part E:	Balancing & Shrinkage

In addition there may be consequential effects on other areas of Code as a result of this modification.

## MODIFICATION MOTIVATION

### Benefits of implementing this Modification:

The objectives of the European Network Codes includes the establishment of a harmonised and consistent pan-European approach to information provision, Nominations, Daily Imbalance Charges and Allocations. This modification proposal aims to ensure that the Gaslink Code reflects such harmonisation, in particular at Interconnection Points.

### Consequences of not making this Modification:

Failure to implement this modification may result in Ireland being deemed non-compliant with EU legislation. Additionally, any misalignment of the arrangements of respective TSOs at Interconnection Points could lead to commercial and operational difficulties.

### Illustrative Example:

Further detail in relation to the proposed modification will be provided in the form of a business rules document which shall be issued for Industry consultation in due course.