

CODE OF OPERATIONS MODIFICATION PROPOSAL



MODIFICATION DETAILS

Modification Number: A064

Modification Title: Virtual Reverse Flow: Enhanced flexibility and compliant with EC Network Codes.

Modification Proposer:	Modification Representative:	Modification Representative Contact Details:	Date Submitted:	Proposed Implementation Date:
Transporter	Robert Flanagan	marketarrangements@gaslink.ie	10/09/2014	TBD

Proposal (including rationale):

The proposed modification intends to increase the flexibility of the existing VRF product. The proposal also incorporates requirements of Regulation EU 984/2013 (Capacity Allocation Mechanism Network Code) and certain aspects of Regulation EU 312/2013 (Balancing Network Code) and the **draft** Interoperability and Data Exchange Network Code (INT & DE NC) in the Code of Operations. The key subject areas which will be addressed as part of this modification proposal are as follows:

- **Capacity Booking**
 - Day-ahead auctions of interruptible VRF Capacity on the joint capacity booking platform;
- **Nominations**
 - Nomination windows, submission of Nominations within day and day-ahead and Nomination rejection criteria;
 - Double Sided Nominations at Interconnection Points;
 - Nomination processing.
- **Interruptions**
 - Interruption priority order will be based on the effective time of the capacity and will be fully systemized.

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

- The Interoperability & Data Exchange Network Code is currently in draft form and is progressing through the EU's comitology process at present. However, given the overlap in terms of 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 in order that the Regulation 312/2014 implementation date of 1 October 2015 is not unduly compromised.

Proposed Implementation Date:

To be determined

Proposed section of the Code to be modified:

Part A:	Definitions & Interpretations
Part C:	Capacity
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

Intended Outcome of the Proposed Modification:

Implement auctions of day-ahead interruptible VRF capacity, improve the flexibility of the existing product by introducing within-day nominations and fully systemize the interruption process.

Benefits of implementing this Modification:

Increased flexibility for Shippers with regard to their nominations.

Consequences of not making this Modification:

Elements are required for compliance with EU network codes therefore failure to implement this modification could result in Ireland being deemed to be 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.