

Part C & F Legal Drafting Changes Summary

Introduction

The following summary outlines the major changes to Part C and Part F of the Code of Operations (“the Code”), taking into account [Code Modification A062](#) (Capacity Allocation Mechanisms) as approved by the CER in October 2014, and [Code Modification A066](#) (Transitional Arrangements) as approved in June 2015, as well as [Code Modification A064](#) as approved in January 2015.

Please note that while this summary takes into account the major changes that are occurring it is merely a summary document, and naturally not every change will be detailed herein.

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A066		
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PRISMA Registration	Chapter 5	Part F Section 1.18
Long Term/Short Term Capacity	Chapter 6	Part C Section 1 &3
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SUMMARY POINTS TO NOTE

Please note that the following items which were addressed in the A066 Business Rules have not been included within the Part C or Part F Legal Drafting.

- The Moffat Agent transition process, which does not require Legal Drafting.
- The IBP Nominations process, which will be included in Part D of the Legal Drafting.

Furthermore, the following items have not been consulted on as part of previous Business Rules consultations, but have been included in the Legal Drafting. The Legal Drafting consultation period will provide industry with the opportunity to comment on these items:

- The Capacity Booking Window deadline on GTMS for within-day capacity at non-IP's will remain at 03:00;
- The circumstances through which Linked Auctions come about at an IP is described in Section 2 of the Legal Drafting;
- The deadline for submitting a Secondary Capacity trade to the Transporter has been moved from 00:45 to 03:00 to align with National Grids deadline.

Code of Operations Part C

1. CAPACITY

1.1. Definitions and General Provisions

New Definitions have been added to allow for the significant amount of new terms, products and processes being added to the Code. These include for example definitions for the following:

- Interconnection Point (IP) is defined to distinguish IP Entry and Exit Points from non-IP Entry & Exit Points
- IP Capacity and associated Entry and Exit Capacities
- Interruptible IP Capacity
- Interruptible virtual IP Capacity
- Capacity Types (Bundled, Unbundled, Secondary) and the associated products
- Joint Booking Platform (JBP) and associated terms
- Auctions, auction types and associated auction terms

The majority of these definitions are required as a result of Code Modification A062, with the remainder resulting from A066.

2. IP CAPACITY

This is an entirely new section in this version of the Code that relates to Capacity at an IP only. This section is largely derived from the A062 Business Rules. However it should be noted that the "Linked Auctions" section has not been previously consulted upon in Business rules. Specifically this section deals with the following aspects of capacity at an IP:

- General IP Capacity Requirements

Shippers may apply to reserve Yearly, Quarterly, Monthly, Daily and Within-Day Entry or CSEP Offtake Capacity at an IP.

- IP Capacity Auctions

Shippers' participation in an auction at an IP is dependent on them being an approved Shipper at that IP and a registered user of the JBP.

The dates for the first auction of each type of capacity, and the scheduling of subsequent auctions is detailed here. The processes for the organization of each of the different types of auctions (e.g.

Annual Ascending Clock Auction, Within-Day Uniform Price Auction) and the roles carried out by the Transporter and Shippers are also dealt with here.

- Auctionable Capacity Calculation

The formulae for calculating the amount of Capacity that will be available to be auctioned at each type of auction are laid out in this section.

- Linked Auctions

This section describes the circumstances under which the auctions at an IP may become linked. In the case of Moffat, the GB-Rol and GB-NI auctions may be linked if the GB Allocable Capacity is less than the Aggregate Auctionable Rol/Ni Capacity, and the two auctions will be run in parallel. Otherwise the auctions will not be linked and they will be run separately, with Rol auctions being run as described in the following sections.

- Reserve Price, Auction Price, Price Steps, Ascending Clock Auction, Uniform Price Auctions

The process for auctions is laid out in detail in these sections. This includes the scheduling of each type of auction, the method of setting reserve prices for auctions, the bidding process in each type of auction and the roles and responsibilities of both Shippers and the Transporter during and after an auction.

- IP Charges/Interruptible IP Charges

Given that the charges at an IP will be separated from the charges at non-IP entry points this section lays out the details of capacity charges and commodity charges at an IP. It also goes through the relationship between the IP charges and the Auction process

- Voluntary Bundling

In this section the process for Shippers to Voluntarily Bundle capacity is described in detail. The qualifying criteria for Shippers to voluntarily bundle capacity and the actions they must take, as well as corresponding actions they can expect from the Transporter are clearly laid out. This section also describes what actions the Transporter will take if they receive a Bundling Notification from an Adjacent TSO on behalf of a Shipper.

3. ENTRY CAPACITY

Changes have been made to this section to reflect the fact that non-IP Entry Capacity is subject to different rules at times from IP Entry Capacity. This is due to the fact that the EU Network Codes have not been applied to non-IP's at this time.

Transitional Arrangements

A new sub-section has been added to address the Transitional Capacity Booking Arrangements that have been proposed in Code Modification A066. These arrangements relate to the options made available to Shippers with Capacity Bookings that end within certain dates. Shippers whose Capacity qualifies under the criteria can submit a "Transitional Booking Request" in order to align their Long Term Entry Capacity Bookings with the new Annual Products which come into effect from 1 November 2015

4. ENTRY CAPACITY TRADES

The previously published BACK-UP ENTRY CAPACITY section has been removed from this section, reflecting the fact that Back-Up capacity is no longer offered at Entry Points.

5. IP CAPACITY TRADES

This is another new section added to Part C of the Code, to outline the rules for trading Active IP Capacity at an IP to another Registered Shipper at that IP (a Shipper cannot trade its Interruptible Capacity at that IP however).

It describes the rules depending on such details as the type of capacity (Bundled/Unbundled), the cut-off times for trades and the information to be submitted by Shippers in a Trade Proposal in order to successfully carry out IP Capacity trades. The criteria under which a Trade Proposal may be validated or rejected are specified and the actions taken by the JBP Operator to notify the parties when a Trade Proposal has been accepted/rejected.

6. ENTRY POINT TRANSFERS

Entry Point Transfers were previously possible at all Entry Points. However the implementation of the CAM Network Code has removed this option at IP's. A small number of changes have been made to this section to account for the fact that Entry Point Transfers may only take place at non-IP Entry Points.

7. EXIT CAPACITY

This section has been altered to remove any references to the South North CSEP. This is because the South North CSEP is now referred to as 'South North IP CSEP' and capacity arrangements for this point have been relocated to the IP Section of the Code.

The references to a Virtual Exit Point have also been removed, reflecting the implementation of the Virtual Reverse Flow (VRF) process as described in Code Modification A064.

8. SUPPLY POINT CAPACITY

No changes have been made to this section.

9. EXIT CAPACITY TRANSFERS

No changes have been made to this section.

10. MULTIPLE SHIPPER LDM SUPPLY POINT TITLE TRANSFERS

No changes have been made to this section.

11. CAPACITY OVVERRUNS

There are no material changes to the Capacity Overruns process proposed in the Business Rules. The changes proposed in this section are merely terminology changes to reflect the existing rules and principles as they may be applied to IP's.

12. CAPACITY OVVERRUNS DISBURSEMENTS ACCOUNT

Minimal changes have been made to this section.

13. CAPACITY REGISTER

A small number of additions and amendments have been made to this section due to the new types of Capacity available.

Code of Operations Part F

The changes within this section of the Code of Operations mainly introduce the Shipper Registration process on the Joint Booking Platform (PRISMA) and apply entirely to Section 1. This has changed from *'Registered Shipper'* to *'IP Approved Shipper and Registered Shipper'*.

Within this there are four new sub sections;

- IP CSEP Registration
- VExitP or VEntryP
- IP [and IBP] Approval
- JBP User Approval

These sub sections outline the administrative processes involved for a Shipper to get approved to operate at the relevant location or platform.