

Final Modification Report No.15

Change in the Gas Day

5th May 2015

GNI (UK) Ltd. has prepared this report in accordance with section 8 of its Transportation Code Modification Rules.

A Description of the nature and purpose of the modification

This proposal is being made to implement the requirements of the Capacity Allocation Mechanisms (CAM) Regulation (EU 984/2013) which defines the gas day as operating from 05:00 to 05:00 the following day.

B Third Party Representations

GNI (UK) received one written response to the Initial Modification Report from Phoenix Natural Gas Limited (PNGL). Comments on the consultation are summarised below along with GNI (UK)'s responses, which are provided in italics.

Transitional Arrangements

Given the proposed implementation date of 1st August 2015 and the fact that after this date the Code will define a gas day in line with the 5.00am start time, PNGL suggest that the transitional arrangements should also contain a clause which states that during the period from 1st August until 29th September 2015 the gas day commences at 06:00 and ends at 06:00 on the following day. The specific arrangements for the 30th September 2015 are already defined in the proposed legal text.

GNI (UK) welcomes PNGL's suggestion and has updated the legal text to include this clarification.

NIED Workplan and DNOs

PNGL has raised concerns about the absence of the DNO from the overall project plan as to allow the TSOs to deliver full compliance, the DNOs needed to undertake significant work to modify their own Network Codes and undertake processes and system changes to deliver these transmission requirements.

PNGL notes that there have been meetings with the TSOs since the launch of the NIED work plan to identify and discuss issues which need addressed and in particular PNGL has met with both UR and the TSOs to discuss in detail the implication of gas day changes. As a result of this meeting submitted a paper to UR in December 2014 detailing all requirements for DNOs as well as the consequences of not aligning networks.

PNGL reiterated its previous comments that its concerns about the implications of gas day changes on DNO operations is properly considered and engagement with DNOs on this area is undertaken at the earliest opportunity.

GNI (UK) is one of the contributors to the NIED workplan. However, for the avoidance of doubt, GNI (UK) is not responsible for the NIED workplan nor developing plans for other Operators.

The TSOs intention to change the Gas Day timings on 1st October has been communicated with industry on numerous occasions since July 2014. The TSOs have also shared their views with the DNOs on the impact of other EU changes and expressed the view that the larger impacts will take place during GY15 in preparation for GY16. GNI (UK) is happy to

engage further on the Gas Day issue but also note that in its view the requirements and the TSOs plans on this matter are very clear and industry participants should take what they deem necessary action within their organisations.

C GNI (UK)'s Recommendation

The Relevant Objective, (condition 2.4 of the GNI (UK) Licence) will be better facilitated by the Licensee's Network Code as a result of this modification. This change will contribute to the secure, safe, reliable, efficient and economic development and maintenance of the Network by ensuring that the gas day in the NI Gas Transmission Regime is co-ordinated with that of its neighbouring transmission systems working towards the creation of a harmonised European Gas Day as is required by the CAM Regulation (EU 984/2013) and the Gas Balancing Network Code (EU 312/2014).

D The clauses of the Transportation Code that require amendment

This proposal amends the text of four definitions in Appendix 1 of the GNI (UK) Code which refer to the timing of the gas day. The terms shown here are based on the text proposed for the CAM and Changes for Entry Exit Code Modification Proposal 14, as this Proposal 15 is expected to be implemented after Proposal 14. New section T3 is added to bring the changes into effect and to provide for 30th September 2015 being a 23-hour day.

One other reference to the time of the gas day in Section 3 (Allocations) will be addressed as part of the forthcoming Code Modification Proposal to amend that Section. Please see Section G for a mark-up of the relevant clauses of the GNI (UK) Code indicating proposed alterations to the Code text.

E Impact on other Designated Pipeline Operator's Network Codes:

GNI (UK) has worked with BGTL and Premier Transmission to develop a co-ordinated approach to the Codes, and the TSOs are aiming to keep the changes to the GNI (UK) Code and the Premier Transmission Code as aligned/identical as possible. Premier Transmission is publishing a corresponding Modification Proposal which closely mirrors the changes contained in this Code Modification Proposal for the GNI (UK) Code.

BGTL is also proposing a corresponding Code Modification Proposal to make the same change in the Gas Day, although because the BGTL Code has a different drafting structure from the Premier Transmission and GNI (UK) Codes, the text of the changes takes a different form.

F The date proposed for implementation

GNI (UK) proposes that the code modification is implemented on 1st August 2015.

G Changes from the Initial Modification Report

Following feedback, text has been added to clarify that between the 1st August and 29th September 2015 the gas day commences at 06:00 and ends at 06:00 on the following day.

The amended text is highlighted in yellow in the Final Legal Text below.

In addition, due to changes now being made in the CAM Modification Proposal 14, a reference in this text to "M" which appeared in the IMR has been removed.

Final Legal Text

T3 TRANSITIONAL ARRANGEMENTS FOR THE IMPLEMENTATION OF THE CHANGE IN THE GAS DAY

T3.1 Introduction

T3.1.1 This section T3 sets out the provisions which will apply to give effect to the change in the timing of the Gas Flow Day.

T3.1.2 For the avoidance of doubt, from 1st August 2015 until 29th September 2015, the Gas Flow Day shall commence at 06:00 and end at 06:00 on the following day.

T3.1.3 Gas Flow Day 30th September 2015 shall commence at 06:00 on 30th September 2015 and end at 05:00 on 1st October 2015.

T3.1.4 Gas Flow Day 1st October 2015 shall commence at 05:00 on 1st October 2015.

T3.1.5 With effect from 1st October 2015, the modified text of Appendix 1 (Definitions and Interpretation) as set out in Code Modification Proposal 15 shall apply.

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Appendix 1: Definitions and Interpretation

Amend the following definitions to read as follows:

"**Day**" or its abbreviation "D" means a period beginning at ~~06:00~~05:00 hours on any day and ending at ~~06:00~~05:00 hours on the following day and "**Daily**" shall be construed accordingly;

"**Gas Year**" means the period of time beginning at ~~06:00~~05:00 hours from 1 October of any calendar year to ~~06:00~~05:00 hours on 1 October of the next succeeding calendar year and "**Yearly**" shall be construed accordingly;

"**Month**" means a period beginning at ~~06:00~~05:00 hours on the first day of any calendar month and ending at ~~06:00~~05:00 hours on the first day of the next succeeding calendar month and the term "**Monthly**" shall be construed accordingly;

"**Quarter**" shall mean a period of three (3) Months, with each successive Quarter commencing at ~~06:00~~05:00 hrs on 1 October, 1 January, 1 April and 1 July respectively and "**Quarterly**" shall be construed accordingly;