

Proposed Modification & Initial Modification Report No. 16

Nominations

15th April 2015

Please find attached details of Proposed Modification 16 and Initial Modification Report 16 raised by BGE(NI) as required under Section 2 and 3 of the Code Modification Rules.

A Description of the nature and purpose of the modification

This proposal is being made to address Nominations arrangements as a result of the implementation of EU Codes and the transition of the Northern Irish transportation regime to an entry-exit model. It introduces arrangements for Shippers to make entry nominations independently of exit nominations, and the procedures by which nominations (and renominations) at an interconnection point will be matched with upstream nominations and confirmed by the TSOs. It also aligns the timing for submission of exit nominations with those for entry, and introduces trade nominations, which are to enable Shippers to trade gas with one another at the Northern Irish Balancing Point.

B How the modification better facilitates the relevant objective

The Relevant Objective, (condition 2.4 of the BGE(NI) 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 of the Network by ensuring that new arrangements for nominations are introduced into the Northern Irish regime in time to enable a compliant and co-ordinated approach to the administration of nominations with the upstream transporters as is required by the EU Balancing Regulation (312/2014) and the Interoperability Code which is expected to enter into EU Law by March/April 2015.

C The clauses of the Transportation Code that require amendment

This proposal will introduce a new Section 2 of the BGE(NI) Code to cover the new rules for entry nominations and trade nominations and the amended rules for exit nominations. It will also introduce Transition Section 4 which deals with the implementation of the new Section 2 and the associated definitions.

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

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

It should also be noted that BGE(NI) has recently announced a change of company name to GNI (UK) Limited. BGE(NI) is considering how best to implement this change across the suite of Modifications currently under development for EU compliance and will notify Shippers once the approach has been finalised.

E The date proposed for implementation

BGE(NI) suggests that the proposed implementation date is 1st July 2015

F How to Respond

Please send responses no later than Friday 14th May to:

by email to: Avian Egan: Avian.Egan@gasnetworks.ie

by fax to: +00 353 (0)21 5006101

or by post to: GNI (UK) Ltd. c/o Gas Networks Ireland
Gasworks Road
Cork

G. Further Information on the Modification Proposal

Introduction

The text of this proposal has been developed following Industry Consultation on the draft Business Rules published on 3rd November 2014.

For IP Nominations, the text covers all the items in the Business Rules including the new concepts of double sided and single sided nominations, and the matching of IP nominations by the Adjacent Transporters (as opposed to the Moffat Agent which currently performs nominations matching). The rules and timings for submission of nominations are in line with those stated in the Business Rules and the legal text also includes some Sections to reflect the contractual framework as between the Adjacent Transporters at an IP.

For Exit Nominations, again the text is in line with the Business Rules, including modifications to the original text to provide for separate exit nominations, to align the timings for exit nominations with those for IPs, to remove interruptible nominations and to simplify the VRF rules so that they only apply at IP Exit Points.

Since the Business Rules were produced, in light of there being no Shipper demand for VRF by over-nomination, the TSOs have decided not to include this service (more detail is provided below).

For Trade Nominations, the legal text is in line with the Business Rules with the exception of one issue concerning third parties (see below).

Developments from the Business Rules

1. VRF IP Exit Nominations and VRF Interruption

As previously stated in Code Modification Proposal 14, the TSOs have concluded that VRF capacity at IPs shall be offered day ahead. However, since no Shippers indicated a requirement for it, at present VRF by within day over-nomination shall not be offered. This simplifies the VRF interruption process as well as the VRF nominations procedures.

Under the proposed text in this Code Modification Proposal, VRF IP Exit Nominations are subject to the same rules as forward flow IP Entry Nominations for submission, matching and rejection. Where it is necessary to interrupt VRF flows, the EU requirements are that interruption should be in order of contractual timestamp. The TSOs have concluded that since the VRF IP Exit Capacity is sold in a day-ahead auction, all VRF capacity effectively has the same contractual timestamp. Therefore any reductions of VRF Capacity, if required, would be made on a pro-rata basis. This is reflected in the proposed legal text (Section 2.7.11 – 2.7.13).

2. Modified Balancing Charge definition

Current code rules in relation to power station nominations provide an exception to the requirement to nominate in advance of an unforeseen 'ramp-up'. The TSOs consider it is appropriate to retain these rules, hence their inclusion in Section 2.10.2 (a). In addition where this applies after the latest time for renominations (so that Shippers are unable to renominate even after the event) the balancing charges are amended for the relevant Shippers accordingly such that any imbalance is cashed out at SAP regardless of the level of balancing tolerance. This exception has also been retained in Section 2.10.2(b) although a new term has been introduced to describe the outcome ("Modified Balancing Charge"). This is because the TSOs have not yet completed the revisions to the Balancing Section of the Code, and so cannot accurately reference the relevant terms. However the TSOs intend to maintain the principles of this exception, when the Balancing Section of the Code is amended in a forthcoming Code Modification Proposal.

3. Section 6 (Capacity Reduction and Emergencies)

As noted in Modification Proposal 14 (CAM and changes for Entry Exit), it is necessary to update Section 6 to reflect the new nominations arrangements in particular, and most of the amendments will rely on terms and processes introduced in this Code Modification Proposal. The TSOs are working on the changes required for Section 6 and will publish them as part of a separate Code Modification Proposal.

4. Trade Nominations

The legal text in relation to Trade Nominations is in line with the Business Rules except that it does not explicitly provide for third parties to submit Trade Nominations on behalf of a Shipper. The TSOs do intend to provide for third party agents to act on behalf of Shippers, but will provide for this in a separate Section of the Code (potentially Section 20). This is because the role of agents is likely to be wider than simply for the provision of Trade Nominations and so it will be more appropriate to cover it in one Section of the Code.

5. Legal Text

Please find below the full legal text for this Code Modification Proposal, set out in the following order:

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2. NOMINATIONS

2.1 Introduction

- 2.1.1 A Shipper shall nominate to the Transporter in accordance with this Section 2 the quantities of gas which it wishes to deliver to and offtake from the Transportation System on a Day.
- 2.1.2 A Shipper is permitted to renominate quantities of gas to the Transporter in accordance with this Section 2 as the Shipper's requirements change.
- 2.1.3 In order to deliver gas to or offtake gas at an IP, a Shipper is required to submit a Nomination in respect of that IP.
- 2.1.4 In order to offtake gas at an Exit Point, a Shipper is required to submit a Nomination in respect of that Exit Point.
- 2.1.5 In order to transfer gas to another Shipper at the Trading Point, a Shipper is required to submit a Trade Nomination in respect of the Trading Point.

2.2 Nominations - General

- 2.2.1 In this Code:
- (a) a **"Nomination"** is a nomination by a Shipper to the Transporter in respect of a quantity of gas to be delivered to or offtaken from the Transportation System;
 - (b) a **"Renomination"** is a Nomination which revises an earlier Nomination (including a Renomination) in accordance with Sections 2.5.8 to 2.5.15 and 2.9.8 to 2.9.15;
 - (c) a **"Nomination Quantity"** is the quantity nominated for delivery to or offtake from the Transportation System in a particular Nomination or Renomination;
 - (d) the **"Nominated Quantity"** is the Nomination Quantity in each of a Shipper's Nominations or Renominations prevailing at the end of the Gas Flow Day, and **"Nominated Quantities"** shall be construed accordingly.
- 2.2.2 For the avoidance of doubt, in this Code, as the context requires, references to Nominations includes IP Nominations, IP Renominations, Exit Nominations and Exit Renominations, but does not include Trade Nominations.
- 2.2.3 For the purposes of this Code, a Nomination is made by a Shipper where the Shipper has submitted a Nomination which has been confirmed or is deemed to be confirmed by the Transporter in accordance with this Section 2.
- 2.2.4 References in this Code to a Nomination **"prevailing"** at any time before or during the Gas Flow Day are to a Nomination as revised (in accordance with this Section 2) up to that time.
- 2.2.5 For the purposes of this Code it shall be assumed that any change in the rate of delivery of gas to or offtake from the Transportation System by a Shipper shall occur on the hour (the **"Hour Bar"**).

2.2.6 A Shipper shall always use its reasonable endeavours to submit accurate Nominations for the quantities in which and rates and times at which it intends or expects to deliver gas to or offtake gas from the Transportation System each Day.

2.2.7 Any Nomination, Trade Nomination, communication or notification required to be made, submitted or given by a Party under this Section 2 shall be made, submitted or given using GTMS and shall be a GTMS Communication for the purposes of this Code.

2.3 IP Nominations - General

2.3.1 A Shipper may submit Nominations in respect of an IP provided that it has an IP Registration in respect of the relevant IP.

2.3.2 In this Code:

- (a) **“IP Nomination”** refers to either an IP Entry Nomination or a VRF IP Exit Nomination;
- (b) **“IP Entry Nomination”** means a Nomination for a quantity of gas flow at an IP in the Forward Flow Direction;
- (c) **“VRF IP Exit Nomination”** means a Nomination for a quantity of gas flow at an IP in the Reverse Flow Direction;
- (d) **“IP Renomination”** means an IP Nomination that revises an earlier IP Nomination (including an IP Renomination);
- (e) **“IP Entry Renomination”** means an IP Entry Nomination that revises an earlier IP Entry Nomination (including an IP Entry Renomination);
- (f) **“VRF IP Exit Renomination”** means a VRF IP Exit Renomination that revises an earlier VRF IP Exit Nomination (including a VRF IP Exit Renomination);
- (g) **“IP Nomination Quantity”** is the quantity nominated for delivery to or offtake at an IP in a particular IP Nomination or IP Renomination.

2.4 Double-Sided and Single-Sided IP Nominations

2.4.1 The provisions in Sections 2.4.2 to 2.4.9 also apply to IP Renominations and references in those Sections to IP Nominations include IP Renominations.

2.4.2 A **“Counterparty Shipper”** is a corresponding shipper on the Interconnected System which is to deliver to or offtake gas from the Interconnected System at an IP pursuant to the Adjacent Transporter’s Rulebook; and a nomination submitted by a Counterparty Shipper to the Adjacent Transporter is a **“Counterparty IP Nomination”** and **“Counterparty IP Renomination”** shall be construed accordingly.

2.4.3 References in this Section 2 to **“corresponding”** mean that the Shipper identifies the Counterparty Shipper in its IP Nomination and the Counterparty Shipper identifies the Shipper in its Counterparty IP Nomination.

- 2.4.4 A Shipper submitting an IP Nomination may have one or more Counterparty Shippers.
- 2.4.5 A Shipper and a Counterparty Shipper may be the same legal entity.
- 2.4.6 A Shipper must submit separate IP Nominations in respect of each of its' Counterparty Shippers (including where the Shipper is the Counterparty Shipper) for a Day and Flow Direction.
- 2.4.7 For the purposes of this Section 2, an IP Nomination is either:
- (a) **“Double-Sided”** where an IP Nomination is submitted by a Shipper to the Transporter and a separate corresponding Counterparty IP Nomination is submitted by the Counterparty Shipper to the Adjacent Transporter; or
 - (b) **“Single-Sided”** where it is submitted by a Shipper by way of a single communication to the Adjacent Transporter;
- and references to Double-Sided or Single-Sided IP Nominations shall be construed accordingly.
- 2.4.8 A Single-Sided IP Nomination operates both as an IP Nomination under this Code and as a corresponding Counterparty IP Nomination submitted by that Shipper as a Counterparty Shipper under the Adjacent Transporter's Rulebook.
- 2.4.9 For the avoidance of doubt:
- (a) for a Single-Sided IP Nomination, the Shipper and Counterparty Shipper must be the same legal entity; and
 - (b) for a Double-Sided IP Nomination, the Shipper and Counterparty Shipper may be the same legal entity or they may be different legal entities.

2.5 Content, Timing and Submission of IP Nominations and IP Renominations

Content and Timing of IP Nominations

- 2.5.1 An IP Nomination must specify:
- (a) the Gas Flow Day;
 - (b) the EIC of the Shipper;
 - (c) the IP;
 - (d) the IP Nomination Quantity (in kWh/d);
 - (e) the Counterparty Shipper;
 - (f) the Flow Direction;
 - (g) whether it is submitted as Single-Sided or Double-Sided.

- 2.5.2 IP Nominations may be submitted no earlier than 30 Days before the Gas Flow Day and no later than 13:00 on D-1.
- 2.5.3 IP Nominations will not be processed by the Transporter before 13:00 on D-1; and a Shipper may amend or replace an IP Nomination already submitted before 13:00 on D-1 in accordance with Section 2.5.2.
- 2.5.4 If a Shipper submits no IP Nominations by 13:00 on D-1 it shall be deemed to have made an IP Nomination with a IP Nomination Quantity of zero.
- 2.5.5 An IP Nomination submitted after 13:00 D-1 shall be treated as an IP Renomination.
- 2.5.6 After 13:00 on D-1 a Shipper may not withdraw, revise or replace an IP Nomination except by submitting an IP Renomination in accordance with Sections 2.5.8 to 2.5.15.
- 2.5.7 An IP Nomination shall be confirmed no later than 15:00 on D-1 and shall be effective from 05:00 on the Gas Flow Day to which it refers.

Content and Timing of IP Renominations

- 2.5.8 An IP Nomination (including an IP Renomination) may be revised by an IP Renomination (and an IP Renomination may be revised by a subsequent IP Renomination) in accordance with Sections 2.5.9 to 2.5.15.
- 2.5.9 A Shipper may submit an IP Renomination in order to nominate an IP Nomination Quantity which is either an increase or a decrease relative to the Shipper's prevailing IP Nomination or IP Renomination. All other details in the IP Renomination must remain as specified pursuant to Section 2.5.1.
- 2.5.10 An IP Renomination may not be submitted before 15:00 on D-1.
- 2.5.11 The latest time for submission of an IP Renomination is 02:00 on the Gas Flow Day.
- 2.5.12 An IP Renomination shall specify the information required by Section 2.5.1 (with only the IP Nomination Quantity changing) and in addition shall specify:
- (a) the previous IP Nomination or IP Renomination that it revises;
 - (b) the effective time of the IP Renomination ("**IP Renomination Effective Time**").
- 2.5.13 The IP Renomination Effective Time shall not be:
- (a) earlier than 2 hours after the Hour Bar by which the IP Renomination was submitted;
or
 - (b) later than 04:00 on the Gas Flow Day to which it relates.
- 2.5.14 An IP Renomination may not be submitted with a Negative Implied IP Nomination Flow Rate.
- 2.5.15 A "**Negative Implied IP Nomination Flow Rate**" means that in respect of an IP Renomination the Flow Rate, calculated according to the following calculation, is negative:
- $$\text{Flow Rate} = Q - \left(\frac{\text{PCQ}}{24} \times H \right)$$

where;

Q = the IP Nomination Quantity stated in the IP Renomination;

H = hours elapsed in the Gas Flow Day at the IP Renomination Effective Time;

PCQ = the prevailing Confirmed IP Nomination Quantity.

Submission of IP Nominations

- 2.5.16 The provisions in Sections 2.5.17 to 2.5.21 also apply to IP Renominations and references in those Sections to IP Nominations include IP Renominations.
- 2.5.17 A Shipper may submit a Double-Sided IP Nomination to the Transporter.
- 2.5.18 In respect of Single-Sided IP Nominations:
- (a) as Initiating Transporter, the Transporter agrees to receive Single-Sided IP Nominations on behalf of the Adjacent Transporter and to be appointed by the Adjacent Transporter as agent to receive such Nominations;
 - (b) a Shipper is responsible for arranging (under the Adjacent Transporter's Rulebook) authorisation from the Adjacent Transporter to submit Single-Sided IP Nominations to the Transporter.
- 2.5.19 In accordance with this Section 2, for each IP Nomination there must be a corresponding Counterparty IP Nomination submitted by the Counterparty Shipper.
- 2.5.20 A Shipper may not have more than one prevailing Single-Sided IP Nomination and one prevailing Double-Sided IP Nomination in respect of an IP, Direction and Day for each Counterparty Shipper.
- 2.5.21 The Transporter will acknowledge receipt of Single-Sided and Double-Sided IP Nominations to the submitting Shipper.

2.6 Matching

- 2.6.1 The provisions in Sections 2.6.2 to 2.6.14 also apply to IP Renominations and references in those Sections to IP Nominations include IP Renominations.
- 2.6.2 The Transporter will determine Processed IP Nomination Quantities in accordance with this Section 2.6 and may reject or revise IP Nominations in accordance with Section 2.7.

Processed and Confirmed IP Nomination Quantities

- 2.6.3 **"Processed IP Nomination Quantity"** means:
- (a) in respect of an IP Nomination, the quantity determined by the Transporter under Section 2.6.10(a);
 - (b) in respect of a corresponding Counterparty IP Nomination, the quantity determined by the Adjacent Transporter under the Adjacent Transporter's Rulebook.
- 2.6.4 **"Confirmed IP Nomination Quantity"** means in respect of an IP Nomination and a corresponding Counterparty IP Nomination, the quantity determined by Matching in accordance with Section 2.6.10(b).

2.6.5 Once an IP Nomination has been Matched in accordance with Section 2.6.10(b) the IP Nomination shall be treated as having been made for the Confirmed IP Nomination Quantity.

Matching Procedures and Rules

2.6.6 In relation to an IP, the Transporter and the Adjacent Transporter will establish and adopt **“Matching Procedures and Rules”** comprising:

- (a) procedures for comparing the Processed IP Nomination Quantities respectively under each IP Nomination and corresponding Counterparty IP Nomination; and
- (b) rules for determining, in any given circumstance affecting the Transportation System or the Interconnected System, which of those Processed IP Nomination Quantities is to be determined as the Confirmed IP Nomination Quantity under each such Nomination.

2.6.7 References in this Code to **“Matching”** means the application of the Matching Procedures and Rules by the Matching Transporter pursuant to Section 2.6.10(b) and **“Matched”** shall be construed accordingly.

2.6.8 In respect of the IP, the Transporter will be the **“Initiating Transporter”** and the Adjacent Transporter will be the **“Matching Transporter”**.

2.6.9 The Transporter will publish the matching rules on its Website.

Processing and Matching Steps for IP Nominations

2.6.10 In relation to each IP Nomination, whether submitted as a Single-Sided IP Nomination or a Double-Sided IP Nomination, the Transporter will, following 13:00 on D-1:

- (a) determine, in respect of the IP Nomination, the Processed IP Nomination Quantity that will be used for Matching, which will be:
 - (i) if the IP Nomination is rejected, zero; or
 - (ii) the IP Nomination Quantity, unless Sections 2.7.5 to 2.7.10 or Sections 2.7.11 to 2.7.13 apply;
- (b) notify the Adjacent Transporter of the Processed IP Nomination Quantities to be used for Matching.

2.6.11 For the avoidance of doubt:

- (a) the Processed IP Nomination Quantity may be different from the IP Nomination Quantity; and
- (b) the Confirmed IP Nomination Quantity may be different from the Processed IP Nomination Quantity.

2.6.12 The Confirmed IP Nomination Quantity may be revised in accordance with Sections 2.7.5 to 2.7.10 and Sections 2.7.11 to 2.7.13.

IP Nominated Quantities

- 2.6.13 The “**IP Nominated Quantity**” in respect of an IP Nomination or IP Renomination is the Confirmed IP Nomination Quantity under the IP Nomination or IP Renomination prevailing at the end of the Day.

2.7 Rejection, Confirmation, Revision and Amendment of IP Nominations

Rejection of IP Nominations and IP Renominations

- 2.7.1 The Transporter may reject:
- (a) an IP Nomination if it does not comply with Sections 2.5.1 to 2.5.7;
 - (b) an IP Renomination if it does not comply with Sections 2.5.8 to 2.5.15;
 - (c) a Double-Sided IP Nomination if there is no corresponding Counterparty IP Nomination for Matching.
- 2.7.2 Where the Transporter rejects a Shipper’s IP Nomination it will notify the Shipper by 15:00 on D-1 and the Shipper shall be deemed to have submitted an IP Nomination of zero.
- 2.7.3 Where the Transporter rejects a Shipper’s IP Renomination:
- (a) it will notify the Shipper within 2 hours of the Hour Bar by which the IP Renomination was submitted; and
 - (b) the prevailing Confirmed IP Nomination Quantity in the previously accepted IP Nomination or IP Renomination shall apply.

Confirmation of IP Nominations and IP Renominations

- 2.7.4 The Transporter will notify a Shipper of the Confirmed IP Nomination Quantity in respect of each IP Nomination or IP Renomination by 2 hours after the Hour Bar by which it was submitted.

Revision of IP Nominations in Exceptional Events or Emergencies

- 2.7.5 The provisions in Sections 2.7.6 to 2.7.10 also apply to IP Renominations and references in those Sections to IP Nominations include IP Renominations.
- 2.7.6 The Transporter may revise IP Nominations, including Confirmed IP Nomination Quantities, where necessary in certain circumstances provided for in Section 6 of this Code.
- 2.7.7 The Adjacent Transporter may revise corresponding Counterparty IP Nominations, including Confirmed IP Nomination Quantities, where necessary in certain circumstances provided for under the Adjacent Transporter’s Rulebook.
- 2.7.8 Where the Transporter revises IP Nominations the revised IP Nominated Quantity shall not imply a Negative Implied IP Nomination Flow Rate as determined in accordance with Section 2.5.15.

- 2.7.9 Where the Transporter revises IP Nominations in accordance with Section 2.7.6 and/or the Adjacent Transporter revises corresponding Counterparty IP Nominations in accordance with Section 2.7.7 then:
- (a) the Transporter will inform a Shipper that its IP Nominations are to be revised;
 - (b) Matching (subject to Section 2.7.10) shall be performed by the Matching Transporter with the revised IP Nominations;
 - (c) the Transporter will provide a Shipper with revised Confirmed IP Nomination Quantities that have been Matched within 2 hours;
 - (d) such Confirmed IP Nomination Quantities shall constitute a Flow Order under Section 6.
- 2.7.10 The matching rules to be applied pursuant to Section 2.7.9(b) may vary from the matching rules published in accordance with Section 2.6.9.

Revisions to IP Nominations for Interruptible VRF IP Capacity

- 2.7.11 The provisions in Sections 2.7.12 to 2.7.13 apply to VRF IP Exit Renominations and references in those Sections to VRF IP Exit Nominations include VRF IP Exit Renominations.
- 2.7.12 Where the Transporter is required to interrupt VRF IP Exit Capacity in respect of a Gas Flow Day, it shall:
- (a) inform Shippers as soon as possible that their VRF IP Exit Nominations are going to be curtailed;
 - (b) determine the total quantity of gas nominated under VRF IP Exit Nominations which is required to be curtailed (the “**Curtailement Quantity**”);
 - (c) make revisions to all Confirmed IP Nomination Quantities that relate to VRF IP Exit Nominations for the Gas Flow Day, which have been received by the most recent preceding Hour Bar, on a pro-rata basis such that the aggregate reduction in the quantity so nominated is equal to the Curtailement Quantity;
 - (d) perform Matching with the revised Confirmed IP Nomination Quantities;
 - (d) notify Shippers of their revised Confirmed IP Nomination Quantities that relate to VRF IP Exit Nominations and that have been Matched within 2 hours; and
 - (e) reject any VRF IP Exit Nominations submitted after the Hour Bar until Section 2.7.13 applies.
- 2.7.13 Where there is no longer a requirement for VRF IP Exit Nominations to be curtailed under Section 2.7.12, the Transporter will notify Shippers that VRF IP Exit Nominations may once again be submitted.

2.8 Exit Nominations - General

- 2.8.1 A Shipper may submit Nominations in respect of a particular Exit Point provided that it has an Exit Point Registration in respect of that Exit Point.
- 2.8.2 In this Code:
- (a) an “**Exit Nomination**” is a Nomination in respect of an Exit Point;
 - (b) an “**Exit Renomination**” means an Exit Nomination that revises an earlier Exit Nomination (including an Exit Renomination).
- 2.8.3 Under this Code, an Exit Nomination may be submitted in respect of:
- (a) Coolkeeragh Exit Point;
 - (b) Ten Towns Exit Point;
- and an Exit Nomination may not be submitted in respect of the Lisburn Exit Point; nominations in relation to the Lisburn Exit Point are to be submitted to the Upstream Operator under the PTL Code.

2.9 Content, Timing and Submission of Exit Nominations and Exit Renominations

Content and Timing of Exit Nominations

- 2.9.1 An Exit Nomination must specify:
- (a) the Gas Flow Day;
 - (b) the EIC of the Shipper;
 - (c) the Exit Point;
 - (d) the Exit Nomination Quantity (in kWh/d).
- 2.9.2 Exit Nominations may be submitted no earlier than 30 Days before the Gas Flow Day and no later than 13:00 on D-1.
- 2.9.3 Exit Nominations will not be processed by the Transporter before 13:00 on D-1; and a Shipper may amend or replace an Exit Nomination already submitted before 13:00 on D-1 in accordance with Section 2.9.2.
- 2.9.4 If a Shipper submits no Exit Nominations by 13:00 on D-1 it shall be deemed to have made an Exit Nomination with an Exit Nomination Quantity of zero.
- 2.9.5 An Exit Nomination submitted after 13:00 D-1 shall be treated as an Exit Renomination.
- 2.9.6 After 13:00 on D-1 a Shipper may not withdraw, revise or replace an Exit Nomination except by submitting an Exit Renomination in accordance with Sections 2.9.8 to 2.9.15.
- 2.9.7 An Exit Nomination shall be confirmed no later than 15:00 on D-1 and shall be effective from 05:00 on the Gas Flow Day to which it refers.

Content and Timing of Exit Renominations

- 2.9.8 An Exit Nomination may be revised by an Exit Renomination and an Exit Renomination may be revised by a subsequent Exit Renomination in accordance with Sections 2.9.9 to 2.9.15.
- 2.9.9 A Shipper may submit an Exit Renomination in order to nominate an Exit Nomination Quantity which is either an increase or a decrease relative to the Shipper's prevailing Exit Nomination or Exit Renomination. All other details in the Exit Renomination must remain as specified pursuant to Section 2.9.1.
- 2.9.10 An Exit Renomination may not be submitted before 15:00 on D-1.
- 2.9.11 The latest time for submission of an Exit Renomination is 02:00 on the Gas Flow Day.
- 2.9.12 An Exit Renomination shall specify the information required by Section 2.9.1 (with only the Exit Nomination Quantity changing) and in addition shall specify:
- (a) the previous Exit Nomination or Exit Renomination that it revises;
 - (b) the effective time of the Exit Renomination ("**Exit Renomination Effective Time**").
- 2.9.13 The Exit Renomination Effective Time shall not:
- (a) be earlier than 2 hours after the Hour Bar by which the Exit Renomination was submitted; or
 - (b) be later than 04:00 on the Gas Flow Day to which it relates.
- 2.9.14 An Exit Renomination may not be submitted with a Negative Implied Exit Nomination Flow Rate.
- 2.9.15 A "**Negative Implied Exit Nomination Flow Rate**" means that in respect of an Exit Renomination the Flow Rate, calculated according to the following calculation, is negative:

$$\text{Flow Rate} = Q - \left(\frac{\text{PCQ}}{24} \right) \times H$$

where;

Q = the Exit Nomination Quantity stated in the Exit Renomination;

H = hours elapsed in the Gas Flow Day at the Exit Renomination Effective Time;

PCQ = the prevailing Confirmed Exit Nomination Quantity.

2.10 Exit Nomination Quantities and Exit Nominated Quantities

- 2.10.1 In this Code:
- (a) the "**Exit Nomination Quantity**" is the quantity nominated by a Shipper for offtake at an Exit Point in a particular Exit Nomination or Exit Renomination;
 - (b) the "**Exit Nominated Quantity**" is the Confirmed Exit Nomination Quantity (determined in accordance with Section 2.11.4) in each of a Shipper's Exit Nominations or Exit Renominations prevailing at the end of the Gas Flow Day;

- (c) the “**Aggregate Exit Nominated Quantity**” is the sum of the Exit Nominated Quantities made by the Shipper for all Exit Points including exit points from the NI Network; for the avoidance of doubt the Aggregate Exit Nominated Quantity includes quantities nominated to the Upstream Operator under the PTL Code in respect of exit points from the Upstream System.

2.10.2 Subject always to Section 8.2, to the extent only that there is an instantaneous loss of electrical generation infeed in Northern Ireland or the Republic of Ireland or significant disturbance on the electrical transmission system (which is an electrical transmission system operating equal to or above 110 kVA) in Northern Ireland, including the Moyle interconnector, or the Republic of Ireland which gives rise to a need for any power station connected to the NI Network to ramp-up its offtake rate:

- (a) any Shipper nominating in respect of the Ballylumford Exit Point or Belfast Gas Exit Point No 3 shall be relieved of any obligation it has under this Code to provide an Exit Nomination or an Exit Renomination in advance of such ramp-up; and
- (b) in the case of any such ramp-up occurring after 02:00 hours on any Day (but not otherwise), any Balancing Charge which any Shipper nominating in respect of the Ballylumford Exit Point or Belfast Gas Exit Point No 3 shall incur in respect of such Day shall be a Modified Balancing Charge;

provided that in the case of (a) and/or (b) above such Shipper shall (i) nominate appropriately as soon as practicable after such ramp-up occurring; and (ii) provide reasonable evidence to the Authority and the Transporter of why such need to ramp-up arose within 24 hours of such ramp-up occurring.

2.11 Rejection, Confirmation and Revision of Exit Nominations and Exit Renominations

Rejection of Exit Nominations and Exit Renominations

2.11.1 The Transporter may reject:

- (a) an Exit Nomination if it does not comply with Sections 2.9.1 to 2.9.7;
- (b) an Exit Renomination if it does not comply with Sections 2.9.8 to 2.9.15.

2.11.2 Where the Transporter rejects a Shipper’s Exit Nomination it will notify the Shipper by 15:00 on D-1 and the Shipper shall be deemed to have submitted an Exit Nomination of zero.

2.11.3 Where the Transporter rejects a Shipper’s Exit Renomination:

- (a) it will notify the Shipper within 2 hours of the Hour Bar by which the Exit Renomination was submitted; and
- (b) the prevailing Confirmed Exit Nomination Quantity in the previously accepted Exit Nomination or Exit Renomination shall apply.

Confirmation of Exit Nominations and Exit Renominations

2.11.4 Where:

- (a) an Exit Nomination is not rejected in accordance with Section 2.11.1(a) or revised in accordance with Sections 2.11.5 to 2.11.7, the Transporter shall notify the Shipper that it's Exit Nomination is confirmed by 15:00 on D-1;
- (b) an Exit Renomination is not rejected in accordance with Section 2.11.1(b) or revised in accordance with Sections 2.11.5 to 2.11.7 the Transporter shall notify the Shipper that it's Exit Renomination is confirmed within 2 hours of the Hour Bar by which the Exit Renomination was submitted;

and the quantity in the Exit Nomination or Exit Renomination shall be the “**Confirmed Exit Nomination Quantity**”.

Revision of Exit Nominations in Exceptional Events or Emergencies

- 2.11.5 The provisions in Section 2.11.6 to 2.11.7 also apply to Exit Renominations and references in those Sections to Exit Nominations include Exit Renominations.
- 2.11.6 The Transporter may revise Exit Nominations, including Confirmed Exit Nominations, in certain circumstances provided for in Section 6 of this Code.
- 2.11.7 Where the Transporter revises Exit Nominations in accordance with Section 2.11.6 then:
 - (a) the Transporter will inform a Shipper that its Exit Nominations are to be revised;
 - (b) the Transporter will notify the Shipper of its' revised Exit Nomination Quantities as soon as reasonably practicable and within 2 hours of the Hour Bar after which it has revised such Exit Nominations;
 - (c) the revised Exit Nomination Quantity shall not imply a Negative Implied Exit Nomination Flow Rate as determined in accordance with Section 2.9.15;
 - (d) the quantity in such revised Exit Nominations shall be the Confirmed Exit Nomination Quantity; and
 - (e) such revised Exit Nomination shall constitute a Flow Order under Section 6.

2.12 Offtake Profile

- 2.12.1 Where necessary, the Transporter may request a Shipper to provide a Profile Nomination in respect of an Exit Point. Such Profile Nomination shall be in the form prescribed by the Transporter and shall specify the nominated hourly rate of offtake of the Shipper at that Exit Point, for a given Gas Flow Day or Gas Flow Days.
- 2.12.2 Whilst it is the intention that the Transporter shall accommodate a profiled rate of offtake where circumstances permit (whether nominated in accordance with 2.12.1 or otherwise), the Transporter shall have no obligation to deliver a quantity of gas other than at a Uniform Offtake Rate.

2.13 Trade Nominations

2.13.1 A Shipper may make Trade Nominations in respect of the Trading Point pursuant to the PTL Transportation Code.

.....

Insert new Section T4 immediately after Section T3 to read as follows:

Transition Section T4

T4.1 Introduction

T4.1.1 This Section T4 sets out the provisions which will apply to Shippers from the T4 Implementation Date and sets out when:

- (a) the modified Section 2 (*Nominations*) ("**Modified Section 2**"); and
- (b) the modified Appendix 1 (*Definitions and Interpretation*) ("**Nominations Modified Appendix 1**");

all as set out in Code Modification 16 shall be effective. Existing Sections of the Code in force prior to Code Modification 16 becoming effective in accordance with this Section T4 are referred to in this Section T4 as "**Unmodified**".

T4.1.2 In this Section T4:

- (a) "**T4 Implementation Date**" means the date of implementation of this Section T4 which shall be 1st July 2015 or, if later, the date the Authority approves Code Modification 16;
- (b) "**Nominations Operational Date**" means a date, determined and published by Premier Transmission, not earlier than the T4 Implementation Date and not later than the First Gas Flow Day in respect of which Nominations and Trade Nominations (as defined in Modified Appendix 1) can first be made under Modified Section 2;
- (c) the "**First Gas Flow Day**" means Gas Flow Day commencing 05:00 on 1st October 2015.

T4.2 Commencement of Modified Section 2

T4.2.1 The provisions of Modified Section 2 shall apply, with respect to the First Gas Flow Day and each subsequent Gas Flow Day, from the Nominations Operational Date, subject to T 4.2.2.

T4.2.2 Where, in respect of Section 2.5.2, there are fewer than 30 Days between the Nominations Operational Date and the First Gas Flow Day the earliest Day on which Shippers may submit IP Nominations in respect of the First Gas Flow Day (and where applicable subsequent Gas Flow Days which are within 30 Days of the Nominations Operational Date) shall be the Nominations Operational Date.

T4.2.3 The provisions of the Unmodified Section 2 shall apply with respect to Gas Flow Days before the First Gas Flow Day.

T4.3 Commencement of Nominations Modified Appendix 1

T4.4.1 From the T4 Implementation Date, the terms set out in Nominations Modified Appendix 1 shall, subject to T4.5, become effective as and when use of each of those terms is required in this Code by the coming into force of the provisions set out in this section T4 and shall continue to apply thereafter.

T4.4 Successional Changes to Appendix 1

- T4.5.1 **“CAM Modified Appendix 1”** and **“CAM Effective Date”** have the meanings given to them in section T2 implemented or to be implemented in accordance with Code Modification 14 [and **“Gas Day Modified Appendix 1”** has the meaning given to it in section T3 implemented or to be implemented in accordance with Code Modification 15].
- T4.5.2 Nominations Modified Appendix 1 adds new defined terms to the Code and where relevant modifies terms set out in [Gas Day Modified Appendix 1] and CAM Modified Appendix 1
- T4.5.3 Terms contained in Unmodified Appendix 1 which are not otherwise amended or deleted by CAM Modified Appendix 1, Gas Day Modified Appendix 1, Nominations Modified Appendix 1 or any other subsequent Code Modifications shall continue to apply in this Code after the CAM Effective Date.

.....

Amend Appendix 1 to include new terms (and modify existing terms) to read as shown in the list below:

APPENDIX 1

DEFINITIONS AND INTERPRETATIONS

~~“Aggregate **Exit** Nominated Quantity” has the meaning given to it in Section 2.10.1(c) and “Aggregate Exit Nominated Quantities” shall be construed accordingly;~~2.1.3(e);

~~“Available Interruptible Capacity” has the meaning given to it in Section 2.1.3(a);~~

~~“Available Interruptible VRF Capacity” has the meaning given to it in Section 2.1.3(b);~~

~~“Carrickfergus (Ballylumford) Interruptible VRF Nomination” has the meaning given to it in Section 2.1.3(i);~~

~~“Carrickfergus (BGEP1) Interruptible VRF Nomination” shall have the meaning given to it in 2.1.3(j);~~

~~“Carrickfergus (Moffat) Interruptible VRF Nomination” shall have the meaning given to it in Section 2.1.3(k);~~

~~“Carrickfergus Interruptible VRF Nomination” shall have the meaning given to it in Section 2.1.3(g);~~

~~“Carrickfergus (Stranraer) Interruptible VRF Nomination” has the meaning given to it in Section 2.1.3(h);~~

~~“Confirmed Exit Nomination Quantity” has the meaning given to it in Section 2.11.4 and “Confirmed Exit Nomination Quantities” shall be construed accordingly;~~

~~“Confirmed IP Nomination Quantity” has the meaning given to it in Section 2.6.4 and “Confirmed IP Nomination Quantities” shall be construed accordingly;~~

~~“Counterparty IP Nomination” has the meaning given to it in Section 2.4.2 and “Counterparty IP Nominations” shall be construed accordingly;~~

~~“Counterparty IP Renomination” has the meaning given to it in Section 2.4.2 and “Counterparty IP Renominations” shall be construed accordingly;~~

~~“Counterparty Shipper” means a corresponding Shipper on the Interconnected System which is to deliver gas to or offtake gas from the Interconnected System at an IP pursuant to the Adjacent Transporter’s Rulebook;~~ has the meaning given to it in Section 2.4.2 and ~~“Counterparty Shippers” shall be construed accordingly;~~

~~“Curtailed Quantity” has the meaning given to it in Section 2.7.12(b);~~

~~“D-1” means the Day before D; has the meaning given to it in Section 2.4.4;~~

~~“Daily Profile” has the meaning given to it in Section 2.3.1(e);~~

~~“Double-Sided” has the meaning given to it in Section 2.4.7(a);~~

“Exceptional Event” means any unplanned event that may cause, for a limited period, capacity reductions affecting the quantity of gas at an Interconnection Point;

~~“Exit Nomination” means a Shipper’s nomination to the Transporter of a quantity of gas to be offtaken from an Exit Point on a Day~~ has the meaning given to it in Section 2.8.2(a); and **“Exit Nominations”** shall be construed accordingly;

~~“Exit Nominated Quantity”~~ has the meaning given to it in Section 2.10.1(b) and **“Exit Nominated Quantities”** shall be construed accordingly;

~~“Exit Nomination Quantity”~~ has the meaning given to it in Section 2.10.1(a) and **“Exit Nomination Quantities”** shall be construed accordingly;

~~“Exit Renomination”~~ has the meaning given to it in Section 2.8.2(b) and **“Exit Renominations”** shall be construed accordingly;

~~“Exit Renomination Effective Time”~~ has the meaning given to it in Section 2.9.12(b);

~~“Firm Nominated Quantity”~~ has the meaning given to it in Section 2.2.1;

~~“Hour Bar”~~ means the commencement of any hour during a Gas Flow Day; has the meaning given to it in Section 2.2.5;

~~“Implied Nomination Flow Rate”~~ has the meaning given to it in Section 2.5.5(a);

~~“Initiating Transporter”~~ means either the Transporter or the Adjacent Transporter, as agreed between them and approved by the Authority, and who is responsible for receiving Single-Sided Nominations and passing them on to the Matching Transporter;

~~“Interruptible Nominated Quantity”~~ has the meaning given to it in Section 2.2.2;

~~“Interruptible VRF Entry Nomination”~~ has the meaning in Section 2.1.3(f);

~~“Interruptible VRF Renomination”~~ has the meaning in Section 2.1.3(m);

~~“Interruptible VRF Nominated Quantity”~~ shall have the meaning given to it in Section 2.2.3;

~~“Interruptible VRF Nomination”~~ has the meaning given to it in Section 2.1.3(n);

~~“IP Entry Nomination”~~ has the meaning given to it in Section 2.3.2(b) and **“IP Entry Nominations”** shall be construed accordingly;

~~“IP Entry Renomination”~~ has the meaning given to it in Section 2.3.2(e) and **“IP Entry Renominations”** shall be construed accordingly;

~~“IP Nominated Quantity”~~ has the meaning given to it in Section 2.6.13 [and **“IP Nominated Quantities”** shall be construed accordingly];

~~“IP Nomination”~~ has the meaning given to it in Section 2.3.2(a) and **“IP Nominations”** shall be construed accordingly;

~~“IP Nomination Quantity”~~ has the meaning given to it in Section 2.3.2(g) and **“IP Nomination Quantities”** shall be construed accordingly;

“IP Renomination” has the meaning given to it in Section 2.3.2(d) and “IP Renominations” shall be construed accordingly;

“IP Renomination Effective Time” has the meaning given to it in Section 2.5.12(b);

“Matching” / “Matched” has the meaning given to it in Section 2.6.7;

“Matching Nomination” means a nomination by an Upstream Shipper or a Third Party Shipper (as the case may be) which matches in time, form, offtake rate and energy a Nomination made by a Shipper;

“Matching Procedures and Rules” has the meaning given to it in Section 2.6.6;

“Matching Renomination” means a Renomination by an Upstream Shipper or a Third Party Shipper (as the case may be) which matches in time, form, offtake rate and energy a Renomination made by a Shipper;

“Matching Transporter” means either the Transporter or the Adjacent Transporter, as agreed between them and approved by the Authority, who is responsible for applying the Matching Rules and Procedures;

“Maximum Available Interruptible VRF Capacity (Carrickfergus)” means the maximum amount of Available Interruptible VRF Capacity at the Carrickfergus Virtual Exit Point which shall in respect of any Gas Flow Day be zero or such greater amount as may be published by the Transporter by 12:00 on D-1;

“Maximum Available Interruptible VRF Capacity (South-North)” means the maximum amount of Available Interruptible VRF Capacity at the South-North Virtual Exit Point which shall in respect of any Gas Flow Day be zero or such greater amount as may be published by the Transporter by 12:00 on D-1;

“Modified Balancing Charge” means the Balancing Charge to be applied following the circumstances set out in Section 2.10.2(b);

“Negative Implied IP Nomination Flow Rate” has the meaning given to it in Section 2.5.15;

“Negative Implied Exit Nomination Flow Rate” has the meaning given to it in Section 2.9.15;

“Nomination” has the meaning given to it in Section 2.1.3(d) 2.2.1(a) and “Nominations” shall be construed accordingly;

“Nomination Mismatch” means when a nomination by a Third Party Shipper is different in time, form, offtake rate and/or energy to a Nomination made by a Shipper with respect to the Transportation System;

“Nominated Quantity” has the meaning given to it in Section 2.2.1(d) and “Nominated Quantities” shall be construed accordingly means a Firm Nominated Quantity or an Interruptible Quantity as the context so requires;

“Nomination Quantity” has the meaning given to it in Section 2.2.1(c) and “Nomination Quantities” shall be construed accordingly;

“Processed IP Nomination Quantity” has the meaning given to it in Section 2.6.3 and “Processed IP Nomination Quantities” shall be construed accordingly;

“Profile Nomination” means a nomination or renomination to the Transporter of an aggregate quantity of gas to be offtaken in each hour over the relevant Day at an Exit Point;

“PTL Transportation Code” means the network code prepared by PTL pursuant to the terms of its gas conveyance licence, as from time to time modified;

~~**“Renominated Quantity”** means a Firm Nominated Quantity or an Interruptible Nominated Quantity as revised by a Renomination as the context requires;~~

“Renomination” has the meaning given to it in Section ~~2.1.3(e)~~ 2.2.1(b) and **“Renominations”** shall be construed accordingly;

~~**“Renomination Mismatch”** means when a Renomination by a Third Party Shipper is different in time, form, offtake rate and/or energy to a Renomination made by a Shipper with respect to the Transportation System;~~

“Single-Sided” has the meaning given to it in Section 2.4.7(b);

~~**“South-North Interruptible VRF Nomination”** has the meaning in Section 2.1.3(l);~~

“Ten Towns Exit Point” means the point(s) of connection between the Transportation System and the distribution system of Firmus Energy Distribution Limited;

“Trade Nominations” mean nominations by a Shipper in respect of a quantity of gas to be transferred to another Shipper at the Trading Point;

“Uniform Offtake Rate” means in respect of a Day the Exit Nominated Quantity divided by 24 and in respect of part of a Day the Exit Nominated Quantity less the quantity of gas which has been offtaken, if any, divided by the number of hours in the Day remaining;

~~**“Upstream Nomination”** has the meaning given to it in Section 2.1.4;~~

~~**“Upstream Renomination”** has the meaning given to in Section 2.1.4;~~

“VRF IP Exit Nomination” has the meaning given to it in Section 2.3.2(c) and **“VRF IP Exit Nominations”** shall be construed accordingly;

“VRF IP Exit Renomination” has the meaning given to it in Section 2.3.2(f) and **“VRF IP Exit Renominations”** shall be construed accordingly;

“Website” means the Transporter’s website located at url www.gasnetworks.ie/en-IE/Gas-Industry/Northern-Ireland/ or such other url as the Transporter may notify to Shippers from time to time;