

Proposed Modification & Initial Modification Report No.21

Implementation of Virtual Reverse Flow

to achieve IME2 Compliance

8th June 2012

Please find attached details of Proposed Modification 21 & Initial Modification Report 21, raised by Premier Transmission Ltd as required under Section 2 and 3 of the PTL Transportation Code Modification Rules.

A Description of the nature and purpose of the modification

On 26th January 2012 the United Kingdom of Great Britain and Northern Ireland had a court proceeding taken against it by the European Commission. This proceeding was taken in relation to non-compliance with certain aspects of Gas Regulation (EC) No 1775/2005 as notified by the European Commission on 24th June 2010. Northern Ireland is in breach of the Regulation by not offering to its network users any short term capacity product, a backhaul service at a minimum as a virtual service, and maximum capacity on the BGE(NI) South North Pipeline.

Code modification 19 (published on 4th May 2012) addressed the introduction of a daily capacity product into the PTL network by appropriate modifications to the PTL Transportation Code.

Code modification 20 (published on 18th May 2012) addressed the charging and credit terms to support the new daily capacity product, as well as the new virtual reverse flow service.

This Modification 21 addresses the other business processes for the virtual reverse flow service.

B How the modification better facilitates the relevant objective

The Relevant Objective, (condition 2.4 of the PTL Licence), will be better facilitated by the Licensee's Network Code as a result of this modification. On introduction of a virtual reverse flow service, Shippers will be able to avail themselves of virtual reverse flow and hence flow gas bi-directionally across the PTL network.

On introduction of this Modification 21, it is intended that Shippers will be able to use virtual reverse flow services provided that appropriate arrangements are in place at Moffat with BGE(UK). Through these Modifications, the UK would address the infringement of Gas Regulation (EC) No 1775/2005 with respect to not offering network users a short term product or reverse flow services.

Through this Modification, the UK would address the infringement of Gas Regulation (EC) No 1775/2005 with respect to not offering bi-directional flow at Moffat with respect to Northern Ireland.

C The clauses of the Transportation Code that require amendment

Please see the attached marked up version of the relevant parts of the PTL Transportation Code.

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

A separate BGE(NI) Code Modification will be raised to implement the VRF arrangements on the BGE(NI) network.

BGTL Code Modification 8 is a separate code modification to make the changes necessary for the BGTL Code to facilitate the introduction of the new services and to ensure the PTL and BGTL Codes remain compatible with each other following the making of the changes. This will be published shortly.

Together the three code modifications will facilitate the streamlined provision of the virtual reverse flow service in Northern Ireland.

E The date proposed for implementation

PTL proposes an implementation date of 1st July 2012

Given the imperative to deliver this Modification to meet the infringement requirements as soon as possible, PTL wrote to the Authority on 27th April to request permission for shortened Code consultation period, in accordance with section 11.1 of the Code Modification rules. The Authority gave its permission on 3rd May 2012. The Consultation Period for this Modification will therefore be 10 business days, and responses are therefore requested by 22nd June 2012.

Please send responses to:

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Proposed Legal Text: PTL Code

2. NOMINATIONS

Amend section 2.1.1 to read as follows:

2.1.1 A Shipper shall make nominations to Premier Transmission in accordance with this section 2 for the quantities in which it wishes to deliver gas to and offtake gas from the Transportation System on a Day.

Amend section 2.1.4 to read as follows:

2.1.4 In this Code:

- (a) **“Available Interruptible Capacity”** means the capacity of the Transportation System which Premier Transmission determines is, from time to time, available to meet Interruptible Nominated Quantities based upon:
- (i) the capacity of the PTL System;
 - (ii) the aggregate of all Firm Nominated Quantities in respect of the Transportation System;
 - (iii) the aggregate of all Firm Nominated Quantities at the relevant Exit Point;
 - (iv) the capacity which BGE (UK) will make available to Premier Transmission under the BGE (UK) Transportation Agreement;
 - (v) the capacity of the Belfast Gas System and
 - (vi) At the discretion of ~~PTL~~Premier Transmission, any interruption notice received by Premier Transmission from BGE(UK) in accordance with section 6.1.3.

so that for the avoidance of doubt it shall not be less than the aggregate of all Firm Capacity allocated less the aggregate of all Firm Nominated Quantities at an Exit Point.

(aa) **“Available Interruptible VRF Capacity”** means the capacity of the Transportation System which Premier Transmission determines is, from time to time, available to meet Interruptible VRF Nominated Quantities based upon:

- (i) the Available Interruptible Capacity;

- (ii) the level of Firm Nominated Quantities and Interruptible Nominated Quantities at Belfast Gas Exit Point No 1, Belfast Gas Exit Point No 2 and Belfast Gas Exit Point No 3, Stranraer Exit Point and Ballylumford Exit Point;
- (iii) the level of Interruptible VRF Nominated Quantities at Belfast Gas Exit Point No 4 and Moffat Virtual Exit Point;
- (iv) the information which is available to Premier Transmission concerning the matters referred to in (a) to (c) below, being:-
 - (a) the level of Interruptible VRF Nominated Quantities at the Carrickfergus Virtual Entry Point;
 - (b) the level of Firm Nominated Quantities and Interruptible Nominated Quantities at the South-North Entry Point;
 - (c) the level of Interruptible VRF Nominated Quantities at the South-North Virtual Exit Point;

and shall not exceed the “Maximum Available Interruptible VRF Capacity”.

- (b) **"Aggregate Nominated Quantity"** is the aggregate of any Firm Nominated Quantity and Interruptible Nominated Quantity and where applicable, Interruptible VRF Nominated Quantity of a Shipper at an Exit Point or Moffat Virtual Exit Point in respect of a Day;
- (c) "Nomination" is a Shipper's nomination to Premier Transmission of a Firm Nominated Quantity or an Interruptible Nominated Quantity to be offtaken from an Exit Point on a Day. For the avoidance of doubt a Shipper shall submit separate Nominations in respect of a Firm Nominated Quantity and an Interruptible Nominated Quantity. A Nomination shall be made in accordance with this section 2;
- (cc) “Interruptible VRF Nomination” is a Shipper's nomination to Premier Transmission of an Interruptible VRF Nominated Quantity to be offtaken from an Exit Point or Moffat Virtual Exit Point on a Day. For the avoidance of doubt a Shipper's Interruptible VRF Nomination shall be submitted separately from its Nominations in respect of a Firm Nominated Quantity and an Interruptible Nominated Quantity. An Interruptible VRF Nomination shall be made in accordance with this section 2. Interruptible VRF Nominations shall not be permitted in respect of Belfast Gas Exit Point No 2 and Belfast Gas Exit Point No 3.
- ~~(c)~~(d) **“Ballylumford Nomination”** means a Nomination or a Renomination or an Interruptible VRF Nomination of gas which is nominated to exit the PTL System at the Ballylumford Exit Point and which will exit the NI Network at that point;

- ~~(d)~~(e) **“Stranraer Nomination ”** means a Nomination or a Renomination or an Interruptible VRF Nomination of gas which is nominated to exit the PTL System at the Stranraer Exit Point;
- ~~(e)~~(f) **“Belfast Gas Exit Point No 1 Nomination”** means a Nomination or a Renomination or an Interruptible VRF Nomination of gas which is nominated to exit the PTL System at Belfast Gas Exit Point No 1 and which will exit the NI Network at the Belfast Network Exit Points;
- ~~(f)~~(g) **“Belfast Gas Exit Point No 2 Nomination”** means a Nomination or a Renomination of gas which is nominated to exit the PTL System at Belfast Gas Exit Point No 2 and which will exit the NI Network at any exit point or points on the BGE (UK) Downstream System from which gas is offtaken for a purpose other than power generation the existence of which exit point or points Premier Transmission shall, from time to time, have given the Shippers reasonable notice of;
- (h) **“Belfast Gas Exit Point No 3 Nomination”** means a Nomination or a Renomination of gas which is nominated to exit the PTL System at Belfast Gas Exit Point No 3 and which will exit the NI Network at the point at Coolkeeragh at which gas exits the NI Network;
- (hh) **“Belfast Gas Exit Point No 4 Interruptible VRF Nomination”** means an Interruptible VRF Nomination which is nominated to exit the PTL System at Belfast Gas Exit Point No 4 and which will be deemed to virtually exit the NI Network at the South-North Virtual Exit Point;
- (hhh) **“Moffat Virtual Exit Point Interruptible VRF Nomination”** means an Interruptible VRF Nomination of gas which is nominated to virtually exit the Transportation System at Moffat Virtual Exit Point;
- (i) **"Renomination"** is a Shipper's nomination of a Firm Nominated Quantity or an Interruptible Nominated Quantity that revises an earlier Nomination or Renomination, or is submitted in accordance with section 2.9.2 where no Nomination has been submitted before 18:00 on D-1.

Amend section 2.2 to read as follows:

2.2 Firm Nominated Quantities, ~~and~~ Interruptible Nominated Quantities and Interruptible VRF Nominated Quantities

2.2.1 A Shipper holding Firm Capacity shall be entitled to submit a Nomination or Renomination in respect of any amount less than or equal to its MDQ on the Day to which the Nomination or Renomination relates (a **“Firm Nominated Quantity”**).

- 2.2.2 A Shipper which is appropriately registered in accordance with section 17 shall be entitled to submit a Nomination or Renomination in respect of any amount up to the Available Interruptible Capacity in respect of the relevant Exit Point on the Day to which the Nomination or Renomination relates (an “**Interruptible Nominated Quantity**”). The submission of a Nomination relating to an Interruptible Nominated Quantity shall be deemed an application for an equivalent amount of Available Interruptible Capacity at the Exit Point referred to in the Nomination.
- 2.2.3 A Shipper which is appropriately registered in accordance with section 17 shall be entitled to submit an Interruptible VRF Nomination in respect of any amount up to the Available Interruptible VRF Capacity in respect of a relevant Exit Point to which the Nomination relates or the Moffat Virtual Exit Point (an “Interruptible VRF Nominated Quantity”). The submission of an Interruptible VRF Nomination relating to an Interruptible VRF Nominated Quantity shall be deemed an application for an equivalent amount of Available Interruptible VRF Capacity at the Exit Point or Virtual Exit Point referred to in the Interruptible VRF Nomination.
- 2.2.~~34~~ Any reference in this Code to a Firm Nominated Quantity or an Interruptible Nominated Quantity or an Interruptible VRF Nominated Quantity shall be to a Shipper’s Firm Nominated Quantity or Interruptible Nominated Quantity or Interruptible VRF Nominated Quantity (as the case may be) as amended, from time to time, whether by a Renomination, a Flow Order, section 2.7.2, ~~or~~ 2.7.5, ~~2.5A.4, 2.5A.5 or 2.5A.6~~ or otherwise in accordance with this Code.
- 2.2.~~45~~ A Shipper which has a Firm Nominated Quantity and/or an Interruptible Nominated Quantity in respect of an Exit Point shall, notwithstanding any other provision of this Code, be deemed, from time to time, to have a Firm Nominated Quantity and/or an Interruptible Nominated Quantity at the Moffat Entry Point in respect of that Exit Point of an equal quantity (except in the case of gas delivered in response to a request by Premier Transmission for the purposes of making up Balancing Gas or in an Emergency).
- 2.2.6 A Shipper which has an Interruptible VRF Nominated Quantity in respect of an Exit Point or the Moffat Virtual Exit Point, but excluding Belfast Gas Exit Point No 4, shall notwithstanding any other provision of this Code, be deemed, from time to time, to have an Interruptible VRF Nominated Quantity at the Carrickfergus Virtual Entry Point in respect of that Exit Point of an equal quantity.
- 2.2.7 A Shipper which has an Interruptible VRF Nominated Quantity in respect of the Belfast Gas Exit Point No 4 shall, notwithstanding any other provision of this Code, be deemed, from time to time, to have an Interruptible VRF Nominated Quantity at the Moffat Entry Point in respect of that Exit Point of an equal quantity.

Amend section 2.3 to read as follows:

2.3 Content of Nomination and an Interruptible VRF Nomination

2.3.1 A Nomination shall:

- (a) specify the Gas Flow Day or Days to which it relates;
- (b) specify a Firm Nominated Quantity or an Interruptible Nominated Quantity;
- (c) specify whether the Nomination is a Stranraer Nomination, a Ballylumford Nomination, a Belfast Gas Exit Point No 1 Nomination, a Belfast Gas Exit Point No 2 Nomination, or a Belfast Gas Exit Point No 3 Nomination;
- (d) specify the identity and contact details of the NTS Shipper which shall deliver the corresponding quantity of gas at the Moffat Entry Point and where there is more than one such NTS Shipper the quantity which is attributable to each such shipper;
- (e) if the Nomination is a Belfast Gas Exit Point No 3 Nomination or a Belfast Gas Exit Point No 2 Nomination and if required by Premier Transmission, specify the identity of the BGE (UK) Shipper which shall off-take the corresponding quantity of gas from the Belfast Gas System into the BGE (UK) Downstream System and where there is more than one such BGE (UK) Shipper the quantity which is attributable to each such shipper;
- (f) if the Nomination is a Belfast Gas Exit Point No.1 Nomination specify the identity of the Downstream Supplier which shall offtake the corresponding quantity of gas from the ~~Transmission System~~Belfast Gas System into the ~~Belfast Gas~~Phoenix Distribution system and where there is more than one such Downstream Supplier the quantity which is attributable to each such supplier; and
- (g) specify the identity of the nominating Shipper.

2.3.2 An Interruptible VRF Nomination shall:

- (a) specify the Gas Flow Day to which it relates;
- (b) specify the Interruptible VRF Nominated Quantity;
- (c) specify whether the Interruptible VRF Nomination is in respect of Stranraer Exit Point, Ballylumford Exit Point, Belfast Gas Exit Point No 1, Belfast Gas Exit Point No 4 or Moffat Virtual Exit Point;
- (d) if the Interruptible VRF Nomination is in respect of Belfast Gas Exit Point No 4 and if required by Premier Transmission, specify the identity of the NTS Shipper which shall be deemed to virtually deliver the corresponding quantity of gas at Moffat Entry Point and where there is more than one such NTS Shipper the quantity which is attributable to each such NTS Shipper; and

(e) if the Interruptible VRF Nomination is in respect of Stranraer Exit Point, Ballylumford Exit Point, Belfast Gas Exit Point No 1 and/or Moffat Virtual Exit Point and if required by Premier Transmission, specify the identity and contact details of the BGE(UK) Shipper which shall deliver the corresponding quantity of gas at the Carrickfergus Virtual Entry Point and where there is more than one such shipper the quantity which is attributable to each such shipper;

(f) if the Interruptible VRF Nomination is in respect of Belfast Gas Exit Point No.1, specify the identity of the Downstream Supplier which shall offtake the corresponding quantity of gas from the Belfast Gas System into the Phoenix Distribution System and where there is more than one such Downstream Supplier the quantity which is attributable to each such supplier;

(g) specify the identity of the nominating Shipper.

2.4 Submission of Nominations

Insert new section 2.4.5. to read as follows:

2.4.5 This section 2.4 does not apply to Interruptible VRF Nominations which shall be submitted in accordance with section 2.3.2 and 2.4A.

Insert new section 2.4A immediately after the end of section 2.4 to read as follows:

2.4A Submission of Interruptible VRF Nominations

2.4A.1 An Interruptible VRF Nomination shall not be submitted later than 22:00 on D-1.

2.4A.2 Shippers may not make renominations in respect of an Interruptible VRF Nomination at any time.

2.4A.3 Premier Transmission and the Downstream System Operator may (but shall not be obliged to) carry out matching of Interruptible VRF Nominations.

2.5 Acceptance, reduction or rejection of a Nomination

Amend section 2.5.1 to read as follows:

2.5.1 Premier Transmission shall accept, or reduce or reject a Nomination in accordance with section 2.5.3 and 2.5.4 respectively, as soon as reasonably practicable and in any event not later than 18:00 on D-1 and give a Shipper notice of any such reduction or rejection. This section 2.5 does not apply to Interruptible VRF Nominations. Premier Transmission shall accept, reduce or reject an Interruptible VRF Nomination in accordance with section 2.5A.

Insert new section 2.5A immediately after the end of section 2.5 to read as follows:

2.5A Acceptance, reduction or rejection and interruption of an Interruptible VRF Nomination

2.5A.1 Premier Transmission shall accept, reduce, reject and interrupt an Interruptible VRF Nomination in accordance with this section 2.5A and give a Shipper notice of any such reduction, rejection or interruption.

2.5A.2 A Shipper may only submit an Interruptible VRF Nomination;

- (a) if it relates to a single Exit Point or Virtual Exit Point;
- (b) if it has an appropriate Exit Point Registration in respect of the Exit Point or Virtual Exit Point to which the Interruptible VRF Nomination relates;
- (c) in the Prescribed Form; and
- (d) in accordance with section 20.1 or 20.2 (as determined by Premier Transmission under those sections) so that an Interruptible VRF Nomination not so submitted will not be valid (whether or not Premier Transmission received it).

Rejection of an Interruptible VRF Nomination

2.5A.3 Premier Transmission shall reject an Interruptible VRF Nomination and give notice to Shippers of such rejection by 23:00 on D-1;

- (a) if the nomination which Premier Transmission makes to the Moffat Agent in respect of an Interruptible VRF Nomination for Belfast Gas Exit Point No 4, is rejected by the Moffat Agent;
- (b) if BGE(UK) advises of rejection of corresponding Interruptible VRF Nominations on the BGE(UK) Downstream System;
- (c) which is not in accordance with section 2.3 or otherwise in accordance with this section 2;
- (d) if it receives a Direction from the Credit Committee, in accordance with paragraph 6.1 (K) of the Terms of Reference, that it should do so;

and Premier Transmission may reject an Interruptible VRF Nomination if the quantity of gas nominated in any Daily Profile does not equal the Aggregate Nominated Quantity or exceeds any profile prescribed by a Flow Order.

Reduction of an Interruptible VRF Nomination at D-1

2.5A.4 Premier Transmission shall reduce an Interruptible VRF Nomination by 23:00 on D-1 if the Interruptible VRF Nomination specifies an Interruptible VRF Nominated Quantity greater than the Available Interruptible VRF Capacity in respect of the relevant Exit Point or Virtual Exit Point; in which case Premier Transmission shall reduce Interruptible VRF Nominated Quantities such that reduced Interruptible VRF Nominated Quantities do not exceed the Available Interruptible VRF Capacity and give Shippers notice of any such reduction.

2.5A.5 In relation to section 2.5A.4 where there are multiple Interruptible VRF Nominations at the relevant Exit Point or Virtual Exit Point Premier Transmission shall reduce each Shipper's Interruptible VRF Nomination pro-rata to aggregate Interruptible VRF Nominations at the relevant Exit Point or Virtual Exit Point.

Interruption of an Interruptible VRF Nomination within Day

2.5A.6 Premier Transmission shall reduce an Interruptible VRF Nomination at any time during D if the Available Interruptible VRF Capacity is reduced such that Interruptible VRF Nominations exceed the Available Interruptible VRF Capacity; in which case Premier Transmission shall reduce Interruptible VRF Nominated Quantities to zero and give Shippers notice of any such reduction.

2.6 Zero Nomination

Amend section 2.6 to read as follows:

A Shipper shall be deemed to have submitted a Nomination or an Interruptible VRF Nomination for a zero quantity of gas in respect of a Gas Flow Day if:

2.6.1 the Shipper has not submitted a Nomination or an Interruptible VRF Nomination in relation to that Gas Flow Day; or

2.6.2 the Shipper's Nomination in relation to that Gas Flow Day is rejected in accordance with section 2.5.4; or

2.6.3 the Shipper's Interruptible VRF Nomination in relation to that Gas Flow Day is rejected in accordance with 2.5A.3 or interrupted in accordance with 2.5A.6.

2.7 Matching Nominations at Moffat

Amend section 2.7.1 to read as follows:

2.7.1 Not later than 13.00 on D-1 Premier Transmission shall inform a Shipper of any Nomination Mismatch which it receives from the Moffat Agent which relates to the

Shipper's Nomination. For the purposes of this section 2.7 references to a Nomination shall include an Interruptible VRF Nomination in respect of Belfast Gas Exit Point No 4 and references to a Nominated Quantity shall include an Interruptible VRF Nominated Quantity in respect of Belfast Gas Exit Point No 4.

Amend section 2.7.4 to read as follows:

2.7.4 A Shipper's Aggregate Moffat-related Nominated Quantity shall, notwithstanding any other provision of this Code (save for section 14.1.2 (c)), be deemed, from time to time, to be an amount equal to the Daily Gas Quantity which the Moffat Agent records on the Matched Matrix in respect of such Shipper.

Amend section 2.7.5 to read as follows:

2.7.5 If a Shipper's Aggregate Moffat-related Nominated Quantity will, in accordance with section 2.7.4, be:

(a) reduced and:

- (i) the Shipper has a Firm Nominated Quantity and an Interruptible Nominated Quantity and/or an Interruptible VRF Nominated Quantity; and
- (ii) it is not possible to determine from the information provided by the Moffat Agent whether the reduction should be applied to the Shipper's Firm Nominated Quantity or its Interruptible Nominated Quantity,

Premier Transmission will first reduce the Shipper's Interruptible Nominated Quantity and thereafter its Firm Nominated Quantity and shall not reduce the Interruptible VRF Nominated Quantity;

(b) increased and:

- (i) the Shipper has Firm Nominated Quantity and an Interruptible Nominated Quantity and/or an Interruptible VRF Nominated Quantity; and
- (ii) it is not possible to determine from the information provided by the Moffat Agent whether the increase should be applied to the Shipper's Firm Nominated Quantity or its Interruptible Nominated Quantity,

Premier Transmission will first increase the Shipper's Firm Nominated Quantity up to the level of its MDQ and thereafter its Interruptible Nominated Quantity and shall not increase the Interruptible VRF Nominated Quantity.

Renominations of daily quantities

Amend section 2.8.1 to read as follows:

2.8.1 A Renomination shall:

- (a) specify the Nomination or Renomination in respect of which the Renomination is made. For the avoidance of doubt a Renomination may relate to a Firm Nominated Quantity or an Interruptible Nominated Quantity only and revisions of Interruptible VRF Nominations are not permitted;
- (b) specify the time that the Shipper wishes the Renomination to become effective;
- (c) specify a revised Firm Nominated Quantity or Interruptible Nominated Quantity;
- (d) subject to section 2.12.2, specify a revised Daily Profile;
- (e) specify the identity and contact details of the NTS Shipper which shall deliver the corresponding renominated quantities of gas at the Moffat Entry Point and where there is more than one NTS Shipper the quantity which is attributable to each such NTS Shipper;
- (f) if the Renomination is a Belfast Gas Exit Point No 2 Nomination or a Belfast Gas Exit Point No 3 Nomination and if required by Premier Transmission, specify the identity of the BGE (UK) Shipper which shall offtake the corresponding quantity of gas from the Belfast Gas System into the BGE (UK) Downstream System and where there is more than one such BGE (UK) Shipper the quantity which is attributable to each such shipper.

Matching Renominations at Moffat

Amend section 2.11.4 and 2.11.5 to read as follows:

2.11.4 A Shipper shall, notwithstanding any other provision of this Code (save for section 14.2.2 (c)), be deemed to have renominated an Aggregate Moffat-related Nominated Quantity of an amount equal to the Daily Gas Quantity which the Moffat Agent records on the Matched Matrix in respect of such Shipper.

2.11.5 If a Shipper's Aggregate Moffat-related Nominated Quantity will, in accordance with section 2.11.4, be reduced or increased the provisions of section 2.7.5 shall be applied, *mutatis mutandis*.

Profile Nominations

2.12 Daily Profile

Amend section 2.12.1 to read as follows

2.12.1 Subject to section 2.13, a Shipper submitting:

- (a) a Stranraer Nomination acknowledges that the Connected System Operator at the Stranraer Exit Point may submit to Premier Transmission a Profile Nomination in respect of the Stranraer Exit Point;

- (b) a Ballylumford Nomination acknowledges that the End User at the Ballylumford Exit Point may submit to Premier Transmission a Profile Nomination in respect of the Ballylumford Exit Point;
- (c) a Belfast Gas Exit Point No 1 Nomination acknowledges that the Connected System Operator at Belfast Gas Exit Point No 1 may submit to Premier Transmission a Profile Nomination in respect of Belfast Gas Exit Point No 1;
- (d) a Belfast Gas Exit Point No 2 Nomination, ~~and/or~~ a Belfast Gas Exit Point No 3 Nomination and/or a Belfast Gas Exit Point No 4 Interruptible VRF Nomination acknowledges that the Downstream System Operator at the relevant NI Network Exit Point may submit to Premier Transmission a Profile Nomination in respect of Belfast Gas Exit Point No 2, ~~and Belfast Gas Exit Point No 3 and Belfast Gas Exit Point No 4~~ which shall be equal to or less than 20% of one twenty fourth of the Aggregate Nominated Quantity in respect of Belfast Gas Exit Point No 2 ~~and~~ Belfast Gas Exit Point No 3 and Belfast Gas Exit Point No 4.

(e) an Interruptible VRF Nomination in respect of Moffat Virtual Exit Point acknowledges that the Nomination shall be treated by Premier Transmission as having a Daily Profile equal to one twenty fourth of the Interruptible VRF Nominated Quantity at the Moffat Virtual Exit Point.

2.12.2 Premier Transmission shall following receipt of any Profile Nomination in accordance with section 2.12.1, which complies with the requirements of section 2.13.1, determine that there shall be attributed to each Nomination ~~or~~ Renomination or Interruptible VRF Nomination referred to in section 2.12.1 (a), (b), (c), ~~or~~ (d) or (e) a daily profile equal to a pro rata proportion of each Profile Nomination referred to in section 2.12.1 (a), (b), (c), ~~or~~ (d) or (e) respectively calculated by reference to all Nominations ~~and/or~~ Renominations and/or Interruptible VRF Nominations in respect of the Exit Point and the relevant Day (in each case a “Daily Profile”).

2.13 Contents and Submission of Profile Nominations

Amend section 2.13.2 (f) to read as follows:

2.13.2 A Profile Nomination submitted in accordance with section 2.12.1 (d) shall:

- (a) be submitted no later than 25 minutes past the start of the next hour after which each Belfast Gas Exit Point No 2 Nomination ~~and~~ Belfast Gas Exit Point No 3 Nomination and Belfast Gas Exit Point No 4 was submitted and specify the aggregate profile nomination at Carrickfergus Connected Systems Point. The Downstream System Operator may revise any such Profile Nomination submitted on Day D by submitting a further Profile Nomination to ~~PTL~~ Premier Transmission no later than 80 minutes past the start of the next hour after which the relevant Belfast Gas Exit Point No 2 Nomination or Belfast Gas Exit Point No 3 Nomination was submitted;

- (b) be in the Prescribed Form;
- (c) be submitted in accordance with section 20.1;
- (d) be revised by the submission of a revised Profile Nomination by 18:00 on D-1 if by that time the Downstream System Operator are aware that the profile requirement has changed;
- (e) be revised by the submission of a revised Profile Nomination by 06:00 on Day D if by that time the Downstream System Operator are aware that the profile requirement has changed;
- (f) request an hourly profile which shall not deviate by more than 20% of one twenty fourth of the Aggregate Nominated Quantity in respect of Belfast Gas Exit Point No 2 ~~and~~ Belfast Gas Exit Point No3 and Belfast Gas Exit Point No 4.

3. ALLOCATION

Insert the following new clauses into section 3.1 to read as follows:

Interruptible VRF Allocations

3.1.4 Where Shippers have made Interruptible VRF Nominations in respect of Ballylumford Exit Point, Stranraer Exit Point and/or Belfast Gas Exit Point No 1:

- (a) Shippers shall be allocated a share of the Exit Quantity at the Exit Point in accordance with section 3.1.7 and sections 3.5, 3.6 and 3.7; and
- (b) Premier Transmission will accept Entry Allocations from BGE(UK) of the Shippers' gas flows entering the NI Network in respect of the relevant Exit Point, in accordance with the NINOA for the purposes of calculating PS Code Charges. In the event that Premier Transmission does not receive Entry Allocations from BGE(UK) by 12:00 on D+1 the Shippers' Entry Allocations at the Carrickfergus Virtual Entry Point shall be deemed to be equal to the Interruptible VRF Nominated Quantity at the relevant Exit Point unless Premier Transmission has interrupted during the Day in which case the Shipper's Entry Allocations at the Carrickfergus Virtual Entry Point shall be zero.

3.1.5 Where Shippers have made Interruptible VRF Nominations in respect of Belfast Gas Exit Point No 4:

- (a) BGE(UK) may make allocations of the Exit Quantity. In the event that BGE(UK) does not make allocations to Shippers exiting the PTL System at Belfast Gas Exit Point No 4, Premier Transmission shall make allocations of the Exit Quantity at

the Exit Point in accordance with section 3.1.7 and sections 3.5, 3.6 and 3.7 for the purposes of section 12.14; and

(b) the Shippers' Entry Allocations at the Moffat Entry Point in respect of the Exit Point shall be a share of the Entry Quantity in accordance with section 3.4. Shippers authorise Premier Transmission to share this information with the Downstream System Operator in accordance with the NINOA.

3.1.6 Where Shippers have made Interruptible VRF Nominations in respect of the Moffat Virtual Exit Point:

(a) the Shippers' Allocations in respect of the Exit Point shall be deemed to be equal to the Interruptible VRF Nominated Quantity unless Premier Transmission has interrupted the Interruptible VRF Nomination during the Day, in which case the Shipper's Allocation in respect of the Exit Point shall be zero; and

(b) Premier Transmission will accept Entry Allocations from BGE(UK) of the Shippers' gas flows entering the NI Network in respect of the relevant Exit Point, in accordance with the NINOA for the purposes of calculating PS Code Charges. In the event that Premier Transmission does not receive Entry Allocations from BGE(UK) by 12:00 on D+1 the Shippers' Entry Allocations at the Carrickfergus Virtual Entry Point shall be deemed to be equal to the Interruptible VRF Nominated Quantity at the relevant Exit Point unless Premier Transmission has interrupted during the Day in which case the Shipper's Entry Allocations at the Carrickfergus Virtual Entry Point shall be zero.

3.1.7 Where multiple Shippers have Interruptible VRF Nominations and Firm and/or Interruptible Nominations in respect of the same Exit Point, or any Shipper at an Exit Point has Firm Nominations and/or Interruptible Nominations as well as Interruptible VRF Nominations in respect of that Exit Point, Allocations of the Exit Quantity shall be made as follows:

(i) first, Initial Allocations shall be made pro-rata to each Shipper's Aggregate Nominated Quantity in respect of the Exit Point in accordance with section 3.5 and where applicable, section 3.7;

(ii) second, for each Shipper in respect of an Exit Point, Initial Allocations shall be made pro-rata between the quantities in section 3.1.7 (ii)(a) and section 3.1.7 (ii)(b) where;

(a) is the sum of the relevant Shipper's Firm Nominated Quantity and the relevant Shipper's Interruptible Nominated Quantity in respect of the Exit Point; and

(b) is the relevant Shipper's Interruptible VRF Nominated Quantity;

(iii) third, Final Allocations for each Shipper shall be made in accordance with section 3.3.

3.2 Initial and Final Allocations

Amend section 3.2.1 to read as follows:

- 3.2.1 On the Day after (“D+1”) the Day (“D”) that gas is delivered to the Transportation System Premier Transmission shall allocate the Entry Quantity at the Moffat Entry Point and the Exit Quantity at each Exit Point and make Initial Allocations of Interruptible VRF Nominated Quantities at Exit Points and Moffat Virtual Exit Point -in respect of D among the Shippers in accordance with this section 3 (each an “Initial Allocation”).

Amend section 3.3 to read as follows:

3.3 Final Allocations deemed to be firm ~~and~~, interruptible and VRF interruptible

A Final Allocation of a Shipper (whether made pursuant to section 3.1.7, 3.5, 3.6 or 3.7) on a Day at an Exit Point shall, for the purposes of this Code, be deemed to be:

- 3.3.1 a “Firm Allocated Quantity” to the extent that its Final Allocation is less than or equal to its Firm Nominated Quantity at the Exit Point; ~~and~~
- 3.3.2 an “Interruptible Allocated Quantity” to the extent that its Final Allocation exceeds its Firm Nominated Quantity at the Exit Point, ~~and-~~
- 3.3.3 an “Interruptible VRF Allocated Quantity” if it has been allocated in accordance with sections 3.1.4, 3.1.5, 3.1.6 and/or 3.1.7 (ii)(b).

3.4 Allocation at Moffat Entry Point

Amend section 3.4.2 to read as follows:

- 3.4.2 (a) ~~If~~ in respect of any Gas Flow Day for which Premier Transmission has received no Interruptible VRF Nominations, if Premier Transmission does not receive an allocation from the Moffat Agent in accordance with section 9.2, the Initial Allocation of gas at the Moffat Entry Point to a Shipper shall be made in accordance with the formula set out below:

$$SQ_m = Q_m \times \frac{SNQ_m}{ANQ_m}$$

where:

SQ_m = the quantity of gas Allocated to a Shipper on the Gas Flow Day at the Moffat Entry Point;

- Qm = the Entry Quantity at the Moffat Entry Point on the Gas Flow Day;
- SNQm = the Shipper's Aggregate Nominated Quantity on the Gas Flow Day at the Moffat Entry Point (determined in accordance with section 2.2.4);
- ANQm = the aggregate of all Shipper's Nominated Quantities on the Gas Flow Day at the Moffat Entry Point (determined in accordance with section 2.2.4);

(b) in respect of any Gas Flow Day for which Premier Transmission has received any Interruptible VRF Nomination in respect of Moffat Virtual Exit Point, if Premier Transmission does not receive an allocation from the Moffat Agent in accordance with section 9.2, Premier Transmission shall calculate an adjusted value of the Entry Quantity at the Moffat Entry Point, as follows:

$$\underline{\underline{Q_{mvfd}}} = \underline{\underline{Q_m + \text{Agg VRF Nom}}}$$

where:

Q_{mvfd} = the Adjusted Entry Quantity at the Moffat Entry Point ;

Q_m = the Entry Quantity at the Moffat Entry Point as defined in section 9.2;

Agg VRF Nom = the aggregate of the Interruptible VRF Nominated Quantities attributable to all Shippers in respect of Moffat Virtual Exit Point;

and Premier Transmission shall make Initial Allocations of gas at the Moffat Entry Point in accordance with the formula set out below:

$$\underline{\underline{SQ_m}} = \underline{\underline{Q_{mvfd}}} \times \underline{\underline{\frac{SNQ_m}{ANQ_m}}}$$

Insert new section 3.4.4 to read as follows:

3.4.4 This section 3.4 does not apply to the allocation of gas at Moffat Virtual Exit Point. Allocations at Moffat Virtual Exit Point shall be made in accordance with 3.1.6 (a).

3.5 Allocation at an Exit Point

Amend section 3.5.1 to read as follows:

3.5.1 The Initial Allocation of gas in respect of any Gas Flow Day at an Exit Point where two or more Shippers offtake gas (a "Shared Exit Point") shall, subject to section 3.8 and 3.7, be made in accordance with the formula set out below:

$$SQ_e = Q_e \times \underline{\underline{SNQ_e}}$$

ANQe

where:-

- SQe = the quantity of Gas Allocated to a Shipper on the Gas Flow Day at the Shared Exit Point;
- Qe = the Exit Quantity on the Gas Flow Day at the Shared Exit Point;
- SNQe = the Shipper's Aggregate Nominated Quantity on the Gas Flow Day at the Shared Exit Point;
- ANQe = the aggregate of all Shipper's Nominated Quantities on the Gas Flow Day at the Shared Exit Point:

provided that, for the purposes of both SNQe and ANQe, on any Day on which no Shipper has a Firm Nominated Quantity, ~~or an~~ Interruptible Nominated Quantity or an Interruptible VRF Nominated Quantity or the Aggregate Nominated Quantities are zero (0), each Shipper which has an Exit Point Registration in respect of:

- (a) Firm Nominated Quantities ~~and~~ Interruptible Nominated Quantities and Interruptible VRF Nominated Quantities in relation to the relevant Shared Exit Point shall be deemed to have a Firm Nominated Quantity of one (1) MWh; and
- (b) Interruptible Nominated Quantities only in relation to the relevant Shared Exit Point shall be deemed to have an Interruptible Nominated Quantity of one (1) MWh; and
- ~~(c)~~ Interruptible VRF Nominated Quantities only in relation to the relevant Shared Exit Point shall be deemed to have an Interruptible VRF Nominated Quantity of one (1) MWh

Amend section 3.5.2 to read as follows:

3.5.2 The Initial Allocation of gas on any Day at an Exit Point shall, subject to 3.8, where there is only one (1) Shipper which has submitted a Nomination ~~or a~~ Renomination and/or an Interruptible VRF Nomination in respect of offtaking gas on that Gas Flow Day, allocate all of the Exit Quantity of gas to that Shipper at such Exit Point.

3.6 Change to the Initial Allocation at a Shared Exit Point after it is made

Amend section 3.6.1 to read as follows:

- 3.6.1 Any Shippers may agree on a different Allocation from the Initial Allocation at a Shared Exit Point (but not between Shared Exit Points and not between Firm ~~and~~ Interruptible and Interruptible VRF Allocated Quantities), as between themselves, of their aggregate Allocated quantity of gas for D (a “**Reallocation**”).

4. BALANCING AND SCHEDULING CHARGES

4.1 Introduction and definitions

Amend section 4.1.1 to read as follows:

4.1.1 In this Code:

(a) **"Daily Gas Price"** shall:

(i) firstly, be equal to the System Average Price (as defined in the GB Uniform Network Code) on the relevant Day ;

(ii) secondly, where for any Day the System Average Price is not available the Daily Gas Price for that Day shall be equal to the arithmetic mean of the System Average Price for each of the seven (7) preceding Days, and

(iii) lastly, where for any Day for any reason the System Average Price is not available under section 4.1.1.(a)(i) or calculated under section 4.1.1.(a)(ii), or if it is disputed, be such alternative price as Premier Transmission may reasonably determine.

(b) **"Balancing Charge"** means the charge payable to a Shipper in respect of a Positive Balance or the charge payable by a Shipper in respect of a Negative Balance as set out below;

(c) a **"Negative Balance"** is where:

(i) any Final Allocation of a Shipper at the Moffat Entry Point in respect of an Exit Point is less than the sum of its corresponding Firm Allocated Quantity and its Interruptible Allocated Quantity Final Allocation at that Exit Point on any Day; or

(ii) any Final Allocation of a Shipper at the Carrickfergus Virtual Entry Point in respect of an Exit Point or the Moffat Virtual Exit Point is less than its corresponding Interruptible VRF Allocated Quantity at that Exit Point or Virtual Exit Point on any Day;

(d) a **"Positive Balance"** is where:

(i) any Final Allocation of a Shipper at the Moffat Entry Point in respect of an Exit Point exceeds the sum of its corresponding Firm Allocated Quantity and its Interruptible Allocated Quantity Final Allocation at that Exit Point on any Day; or

(ii) any Final Allocation of a Shipper at the Carrickfergus Virtual Entry Point in respect of an Exit Point or the Moffat Virtual Exit Point exceeds its corresponding Interruptible VRF Allocated Quantity at that Exit Point or Virtual Exit Point on any Day;

(e) a “Balance” is the position (either Negative as defined in 4.1.1 (c) or Positive as defined in 4.1.1 (d)) of the Shipper;

(f) where a Shipper supplies an Exit Point from more than one Entry Point on a Day:

(i) the Shipper will have more than one Balance in relation to that Exit Point;

(ii) each Balance shall be treated individually for the purposes of calculating Balancing Charges and Balancing Charges in respect of each Balance shall be shown separately on a Shipper’s CC Invoice in accordance with section 12.6;

(iii) the relevant Exit Point Tolerance for the Exit Point, as calculated in accordance with section 4.2, shall apply separately in relation to each Balance; and

(iv) a Shippers’ individual Balances shall not be aggregated or netted off.

Amend section 4.1.2 to read as follows:

4.1.2 A Shipper shall use its reasonable endeavours to ensure the following:

(a) that if gas were Allocated to it at the Moffat Entry Point in accordance with section 3.4.2 and/or the Carrickfergus Virtual Entry Point in accordance with section 3.1.4 and/or section 3.1.6, each of its corresponding Balance positions in respect of an Exit Point or Moffat Virtual Exit Point shall be zero; and were Allocated to the Shipper at an Exit Point in accordance with section 3.5.1 such allocations would be of an equal amount; and

(b) that if gas were Allocated to the Shipper at an Exit Point in accordance with section 3.1.5 and/or section 3.5.1 or at Moffat Virtual Exit Point in accordance with section 3.1.6 such allocation would equal the Aggregate Nominated Quantity of the Shipper in respect of that Exit Point on that Day.

4.2 Exit Point Tolerance

Insert new section 4.2.3 at the end of section 4.2 to read as follows:

4.2.3 The Exit Point Tolerance in respect of Moffat Virtual Exit Point shall be zero (0).

4.4 Scheduling Charges

Insert new section 4.4.3 at the end of section 4.4 to read as follows:

4.4.3 Scheduling Charges shall not be payable in respect of the Moffat Virtual Exit Point.

Amend section 4.6 to read as follows:

4.6 Exit Point Tolerance, Balancing Charge, Scheduling Charge and Unauthorised Flow Charge at Belfast Gas Exit Point ~~No 2~~, Belfast Gas Exit Point ~~No 3~~ and Belfast Gas Exit Point No 4.

- 4.6.1. Exit Point Tolerance Calculations, Balancing Charges and Scheduling Charges applied under this section 4 at Belfast Gas Exit Point ~~No 2~~ and Belfast Gas Exit Point ~~No 3~~ and Belfast Gas Exit Point No 4 shall not be made by Premier Transmission. BGE(UK) shall apply Exit Point Tolerance, Balancing Charges and Scheduling Charges to Shippers exiting the PTL System at Belfast Gas Exit Point ~~No 2~~ and Belfast Gas Exit Point ~~No 3~~ and Belfast Gas Exit Point No 4 under the BGE(UK) Code in respect of Entry and Exit to the NI Network and in agreement with section 7 of the NINOA.
- 4.6.2. In the event that BGE(UK) does not apply Exit Point Tolerances, Balancing Charges and Scheduling Charges to Shippers exiting the PTL System at Belfast Gas Exit Point ~~No 2~~, ~~and/or~~ Belfast Gas Exit Point ~~No 3~~ and/or Belfast Gas Exit Point No 4, Premier Transmission shall apply Exit Point Tolerances, Balancing Charges and Scheduling Charges to such Shippers under section 4 in respect of the PTL System.
- 4.6.3. If on any day a D-1 Predicted Capacity Shortfall or Day D Capacity Shortfall is declared on the PTL System, Premier Transmission shall apply any Unauthorised Flow Charge under section 4.5 in relation to Shippers exiting the PTL System at Belfast Gas Exit Point ~~No 2~~ and ~~and~~ Belfast Gas Exit Point ~~No 3~~ and Belfast Gas Exit Point No 4 using Exit Allocations in respect of the NI Network, provided by BGE(UK) in accordance with section 7 of the NINOA.
- 4.6.4. In the event that BGE(UK) does not provide Exit Allocations under section 4.6.3 Premier Transmission shall apply any Unauthorised Flow Charge under section 4.5 in relation to Shippers exiting the PTL System at Belfast Gas Exit Point ~~No 2~~ and Belfast Gas Exit Point ~~No 3~~ and Belfast Gas Exit Point No 4 using Exit Allocations in respect of the PTL System.
- 4.6.5. For the avoidance of doubt Premier Transmission shall be entitled to assume that BGE(UK) has not provided Exit Allocations in respect of the NI Network by the fifth business day after the month end, ("M+5")

6. CAPACITY REDUCTION AND EMERGENCIES

Amend erroneous section 6.11.3 to read as follows

6.11.3 If a Shipper's compliance with any Emergency Step shall give rise to:

- (a) a Positive Balance, Premier Transmission shall, notwithstanding section 4.3.1, pay to the Shipper;
- (b) a Negative Balance, Premier Transmission shall, notwithstanding section 4.3.2, charge the Shipper

~~the value of an the~~ amount ~~of the Shipper's Balance at equal to~~ the Daily Gas Price, whether or not the Exit Point Tolerance has been exceeded.

7. ENTRY REQUIREMENTS

Amend section 7.1 to read as follows:

7.1 Introduction

7.1.1 This section 7 sets out the terms upon which gas shall be delivered to the Transportation System at the Moffat Entry Point.

7.1.2 ~~Nothing in this Code confers on any person any entitlement to have any premises, pipeline, plant or other installation connected to the Transportation System for the purposes of delivering gas.~~

7.1.3 ~~In this Code the "Carrickfergus Virtual Entry Point" is a notional point at the Carrickfergus Connected Systems Point at which gas may be deemed to be delivered by Shippers to the Belfast Gas System.~~

7.1.4 ~~In this Code, subject to 7.1.5, the term "Entry Point" includes Moffat Entry Point and Carrickfergus Virtual Entry Point.~~

7.1.5 ~~Shippers acknowledge that, as no physical flows of gas into the Belfast Gas System are permitted at the Carrickfergus Virtual Entry Point, gas entry conditions as set out in sections 7.2, 7.3 and 7.4 are not required and do not apply in relation to that point.~~

8. EXIT REQUIREMENTS

Amend section 8.1 to read as follows:

8.1 Introduction and Definitions

- 8.1.1 This section 8 sets out the terms upon which a Shipper shall be entitled to offtake gas from the Transportation System at an Exit Point.
- 8.1.2 Nothing in this Code confers on any person any entitlement to have any premises, pipeline, plant or other installation connected to the Transportation System for the purposes of offtaking gas.
- 8.1.3 In this Code an "**Exit Point**" is a Connected System Exit Point or a point at which gas is offtaken by Shippers from the Transportation System for the purpose of supplying gas to premises and shall be as described in part II of appendix 3.
- 8.1.4 In this Code "**Moffat Virtual Exit Point**" (or as the context requires, a "**Virtual Exit Point**"), is a notional point on the PTL System at which gas may be deemed to be offtaken from the Transportation System and deemed to be delivered to the NTS. Other than where specified, references in this Code to an Exit Point shall not include references to the Moffat Virtual Exit Point.
- 8.1.5 Shippers acknowledge that, as no physical flows of gas out of the Transportation System are permitted at the Moffat Virtual Exit Point, gas offtake conditions as set out in sections the remainder of this section 8 are not required and do not apply in relation to that point.

9. MEASUREMENT AND TESTING

Amend section 9.2.1 to read as follows:

- 9.2.1 The quantity of gas determined to have been delivered at the Moffat Entry Point shall, subject to section 9.3:
- (a) be the quantity of gas allocated by the Moffat Agent to Premier Transmission in respect of the Moffat Entry Point in accordance with the Moffat Administration Agreement; or
 - (b) in the absence of an allocation in accordance with (a) above, be the quantity of gas determined to have been delivered by BGE (UK) in accordance with the BGE (UK) Transportation Agreement
 - (c) in the absence of an allocation in accordance with either (a) or (b) above, be the quantity of gas determined by Premier Transmission to have been delivered by BGE(UK) using:
 - (a) appropriate gas engineering technology; or
 - (b) relying on written evidence of such quantities presented by a Shipper before 16:00 on D+5

(in each case an "**Entry Quantity**").

9.5 Exit Quantity at an Exit Point

Amend section 9.5 to read as follows:

The quantity of gas delivered at:

- 9.5.1 the Stranraer Exit Point shall, subject to section 9.6, be determined by Premier Transmission using readings taken from the Measurement Equipment at that Exit Point;
- 9.5.2 the Ballylumford Exit Point shall, subject to section 9.6, be determined by Premier Transmission using readings taken from the Measurement Equipment at that Exit Point;
- 9.5.3 Belfast Gas Exit Point No 1 shall, subject to section 9.6, be determined by Premier Transmission in accordance with the Belfast Metering Agreement and the NINOA;
- 9.5.4 Belfast Gas Exit Point No 2 ~~and~~, Belfast Gas Exit Point No 3 and Belfast Gas Exit Point No 4 shall, subject to section 9.6 and 9.13, be determined by Premier Transmission in accordance with the NINOA,

(in each case an “**Exit Quantity**”).

12. CHARGES, PAYMENT AND TAX – *consulted on separately as part of Modification 20*

13. CREDIT PROCEDURES – *consulted on separately as part of Modification 20*

16. TERMINATION – *consulted on separately as part of Modification 20*

17. ACCESSION TO THE CODE, EXIT POINT REGISTRATION, DOWNSTREAM LOAD STATEMENTS AND RETIREMENT FROM THE CODE

Insert new section 17A at the beginning of section 17 to read as follows:

17A For the purposes of this section 17 references to an Exit Point shall include a Virtual Exit Point and references to an Entry Point shall include Carrickfergus Virtual Entry Point.

Amend section 17.3 to read as follows:

17.3 Accession to the Code

17.3.1 After a Prospective Shipper has executed an Accession Agreement and the Effective Date (as defined in the Accession Agreement) has occurred the Prospective Shipper shall become a Shipper and may reserve and utilise Firm Capacity ~~and/or~~, Interruptible Capacity and/or Interruptible VRF Capacity in respect of an Exit Point in relation to which it has an Exit Point Registration.

Amend section 17.4 to read as follows:

17.4 Application for Exit Point Registration

17.4.1 A Shipper shall be required to be registered in respect of an Exit Point (an “**Exit Point Registration**”) before it may apply for Firm Capacity (for the avoidance of doubt including Daily Capacity) or utilise Interruptible Capacity or utilise where applicable, Interruptible VRF Capacity in respect of that Exit Point.

17.4.2 A Shipper may, from time to time, and a Prospective Shipper shall apply to be registered in respect of an Exit Point. A Registration:

(a) in respect of the Moffat Virtual Exit Point shall only permit a Shipper to make Interruptible VRF Nominations. Firm and Interruptible Nominations may not be made in respect of Moffat Virtual Exit Point;

(b) in respect of Ballylumford Exit Point, Stranraer Exit Point and Belfast Gas Exit Point No 1 shall permit a Shipper to make Firm and Interruptible Nominations and/or Interruptible VRF Nominations as specified by the Shipper in accordance with section 17.4.3(aa);

(c) in respect of Belfast Gas Exit Point No 2 and Belfast Gas Exit Point No 3 shall permit a Shipper to make Firm and Interruptible Nominations only. Interruptible VRF Nominations shall not be permitted in respect of Belfast Gas Exit Point No 2 and Belfast Gas Exit Point No 3;

(d) in respect of Belfast Gas Exit Point No 4 shall permit a Shipper to make Interruptible VRF Nominations only. Firm and Interruptible Nominations shall not be permitted at Belfast Gas Exit Point No 4.

17.4.3 A Shipper, or Prospective Shipper, wishing to obtain an Exit Point Registration in respect of an Exit Point shall provide Premier Transmission with the following in relation to the Exit Point:

(a) the Exit Point in respect of which it requires an Exit Point Registration and the Entry Point or Points from which it intends to supply the Exit Point;

(aa) whether or not the Shipper wishes to be registered to make Interruptible VRF Nominations, if permitted at the Exit Point in accordance with 17.4.2;

(b) the date from which it wishes to offtake gas taking into account the period of time referred to in section 17.5;

(c) the information set out in section 6.7.1 relating to emergency contacts;

- (d) any of the following:
 - (i) evidence satisfactory to Premier Transmission that the Shipper will, itself, utilise the gas to be offtaken from the Exit Point;
 - (ii) written confirmation from a gas consumer that the Shipper has entered into an agreement with the gas consumer to supply the gas consumer the gas that the Shipper will offtake from the Exit Point which may be conditional upon the Shipper obtaining an Exit Point Registration in relation to the relevant Exit Point and/or the Shipper acquiring Firm Capacity in relation to the relevant Exit Point; or
 - (iii) written confirmation from a transporter of gas on a Connected System immediately downstream of the System that the Shipper has entered into an agreement with it to ship gas on the Connected System offtaken from the Exit Point; and
- (e) a Moffat Agent Default Registration Form, in accordance with section 18.2;

in the Prescribed Form (an “**Exit Point Registration Application**”).

17.4.4 A Shipper, or Prospective Shipper, wishing to obtain an Exit Point Registration in respect of an Exit Point shall or may, as required by section 17.7, provide Premier Transmission with, in addition to an Exit Point Registration, a Downstream Load Statement in relation to the Exit Point.

17.4.5 A Shipper, or Prospective Shipper, wishing to obtain an Exit Point Registration in respect of an Exit Point in Northern Ireland shall, as a condition to becoming registered, be required to provide to Premier Transmission a copy of its Gas Supply Licence.

17.4.6 Section 17.4.5 shall not apply in respect of any Shipper, or Prospective Shipper, that does not have a Gas Supply Licence, but does have the Authority’s prior written consent to either:

- (i) hold Firm Capacity; or

- (ii) have entitlement to Exit gas from the NI Network as if it had a Gas Supply Licence,

provided that the Shipper submits to Premier Transmission a copy of such consent from the Authority.

17.4.7 At the discretion of Premier Transmission, sections 17.4.3, (b) or (e) shall not apply in respect of any Shipper, or Prospective Shipper, that does not have a Gas Supply Licence, but does with the Authority’s prior written consent to either:

(i) hold Firm Capacity; or

(ii) have entitlement to Exit gas from the NI Network as if it had a Gas Supply Licence,

provided that the Shipper submits to Premier Transmission a copy of such consent from the Authority.

Extension of a Registration

17.4.8 A Shipper may, from time to time, apply to Premier Transmission to extend an existing Exit Point Registration in respect of further Entry Points or in respect of Interruptible VRF Nominations, in the Prescribed Form, (an “Exit Point Registration Extension Application”) and in accordance with 17.4.9 below.

17.4.9 An Exit Point Registration Extension Application shall contain the information required in 17.4.3 updated to include

(a) a new Entry Point and/or;

(b) whether or not the Shipper wishes to be registered to make Interruptible VRF Nominations.

17.4.10 A Shipper applying to extend its Registration may be required by Premier Transmission to submit a revised Downstream Load Statement in relation to the Exit Point.

17.5 Exit Point Registration

Amend section 17.5.2 to read as follows:

17.5.1 Subject to section 17.5.2, Premier Transmission shall, within twenty (20) Business Days of receiving from a Shipper an Exit Point Registration Application or Exit Point Registration Extension Application and any Downstream Load Statement in relation to the Exit Point in accordance with section 17.7 issue to the Shipper an Exit Point Registration, revised as appropriate to show any extension, and notify the Shipper of the Exit Point Tolerance in respect of the Exit Point.

17.5.2 Premier Transmission shall reject an Exit Point Registration Application or an Exit Point Registration Extension Application if it receives a Direction from the Credit Committee, in accordance with paragraph 6.1 (K) of the Terms of Reference, that it should do so.

Insert a new section 17.6.4 to read as follows:

17.6.4 For the avoidance of doubt, termination of an Exit Point Registration does not relieve a Shipper of its obligations in relation to Credit Support in accordance with section 13.2.6.

18. MOFFAT ADMINISTRATION AGREEMENT

Amend section 18.1 to read as follows:

18.1 Introduction

Premier Transmission shall provide a Shipper with any relevant modifications or amendments to the Moffat Administration Agreement. This section 18 does not apply in respect of the Moffat Virtual Exit Point.

Amend sections 18.3.1 and 18.3.2 to read as follows:

18.3 Nominations to the Moffat Agent

18.3.1 Premier Transmission shall nominate to the Moffat Agent a quantity of gas for delivery at the Moffat Entry Point equal to a Shipper's Aggregate Nominated Quantity (excluding Interruptible VRF Nominated Quantities at Moffat Virtual Exit Point) from time to time.

18.3.2 If a Firm Nominated Quantity, an Interruptible Nominated Quantity, an Interruptible VRF Nominated Quantity in respect of Belfast Gas Exit Point No 4, a Nomination ~~or~~, a Renomination or an Interruptible VRF Nomination at Belfast Gas Exit Point No 4 (as appropriate) of a Shipper is reduced by a Flow Order, or reduced or increased in accordance with section 2.5, 2.5A, 2.7, 2.10 or 2.11 and the Shipper has:

- (a) more than one NTS Shipper which is a counter party for the purposes of the Moffat Administration Agreement in respect of the relevant nomination, Premier Transmission shall nominate to the Moffat Agent a reduced or increased quantity of an equal amount (as appropriate) and allocate such amount as between such counter party NTS Shippers pro rata to the quantities which the Shipper attributed to the NTS Shipper in accordance with section 2.3.5 or 2.8.5;
- (b) only one NTS Shipper which is a counter party for the purposes of the Moffat Administration Agreement in respect of the relevant nomination, Premier Transmission shall nominate to the Moffat Agent a reduced or increased quantity of an equal amount (as appropriate) and allocate all such amount to the counter party NTS Shipper.

19. CONFIDENTIALITY

Amend section 19.4.5 as proposed in Modification 19 to now read as follows:

19.4.5 Premier Transmission may disclose Confidential Information without the consent of the Disclosing Party to any other Designated Pipeline Operator holding a valid licence to convey gas to the extent Premier Transmission reasonably considers such disclosure is necessary for the purposes of capacity allocation and/or in relation to Interruptible VRF Nominations and Interruptible VRF Capacity.

20. GENERAL – *consulted on separately as part of Modification 19*

APPENDIX 1. DEFINITIONS AND INTERPRETATION

Insert the following new definitions

“Agg VRF Nom” has the meaning given to it in section 3.4.2 (b);

“Available Interruptible VRF Capacity” has the meaning given to it in section 2.1.4 (aa);

“Balance” has the meaning given to it in section 4.1.1(e);

“Belfast Gas Exit Point No 4” means a notional point at the point of offtake from the PTL System at Ballylumford shown in part II of appendix 3 in respect of which, inter alia, capacity is allocated for the purposes of submitting Belfast Gas Exit Point No 4 Nominations;

“Belfast Gas Exit Point No 4 Interruptible VRF Nomination” has the meaning given to it in section 2.1.4 (hh);

“Entry Allocations” means the quantities of gas Allocated to Shippers in respect of an Entry Point;

“Entry Point” has the meaning given to it in section 7.1.4;

“Exit Point Registration Extension Application” has the meaning given to it in section 17.4.8;

“Interruptible VRF Allocated Quantity” has the meaning given to it in section 3.3.3. For the avoidance of doubt (and as provided for in Condition 2A.2.1.8 of the Licence) this quantity is not subject to the commodity charge element of the Postalised Charges defined in the Licence;

“Interruptible VRF Nomination” has the meaning given to it in section 2.1.4 (cc);

“Interruptible VRF Nominated Quantity” has the meaning given to it in section 2.2.3

“Carrickfergus Virtual Entry Point” has the meaning given to it in section 7.1.3;

<u>“Maximum Available Interruptible VRF Capacity”</u>	<u>means the maximum amount of Available Interruptible VRF Capacity which shall be available on a seasonal basis, as published by Premier Transmission and approved by the Authority;</u>
<u>“Moffat-related Nominated Quantity”</u>	<u>means a Shipper’s Nominated Quantity in respect of an Exit Point, or where a Shipper has Nominated Quantities at multiple Exit Points, the Aggregate Nominated Quantity which will be delivered to the Transportation System at Moffat Entry Point in respect of those Exit Points;</u>
<u>“Moffat Virtual Exit Point”</u>	<u>has the meaning given to it in section 8.1.4;</u>
<u>“Moffat Virtual Exit Point Interruptible VRF Nomination”</u>	<u>has the meaning given to it in section 2.1.4 (hhh);</u>
<u>“ROI System”</u>	<u>is the transportation system which is connected to the BGE(UK) Downstream System at the South-North Interconnection Point;</u>
<u>“South-North Entry Point”</u>	<u>is the point at the South-North Interconnection Point at which which gas may flow into the BGE(UK) Downstream System from the ROI System;</u>
<u>“South-North Interconnection Point”</u>	<u>is the point of interconnection between the BGE(UK) Downstream System and the ROI System at which gas may flow into the BGE(UK) Downstream System from the ROI System;</u>
<u>“South-North Virtual Exit Point”</u>	<u>is a notional point at the point of interconnection between the BGE(UK) Downstream System and the ROI System at which gas may be deemed to flow from the BGE(UK) Downstream System into the ROI System;</u>

Amend the following definitions to read as follows:

"BGE (UK) Downstream System"

means the pipeline owned and operated by BGE (UK) which connects the Belfast Gas System at the Carrickfergus Connected Systems Point to the north west of Northern Ireland and to the South-North Interconnection Point;

APPENDIX 5: CREDIT COMMITTEE Terms of reference – *consulted on separately as part of Modification 20*