



CODE OF OPERATIONS

NOTICE TO SHIPPERS

PURSUANT TO THE CODE OF OPERATIONS

APPROVAL OF MODIFICATION

CODE MODIFICATION CODE MODIFICATION A103A - 'Removal of redundant terminology in Code of Operations arising from the provisions of Code Modification Proposal A103 (Changes to Shipper Tolerances)

COMMISSION INSTRUCTION

Pursuant to Section 13(1) of the Gas (Interim) (Regulation) Act 2002, the Commission approves Code Modification A103A - 'Removal of redundant terminology in Code of Operations arising from the provisions of Code Modification Proposal A103 (Changes to Shipper Tolerances).

This modification amends Part E (Balancing and Shrinkage) of the Code of Operations to remove various items of text which became redundant following the implementation of Code Modification A103 - Changes to Shipper Tolerances.

This modification A103A does not alter any contractual term or operational practice of the Code as all such changes in relation to Shipper Tolerances were implemented on 1st October 2020. This followed the Commission's Instruction, dated 24th September 2020, to implement Modification A103. Accordingly, the date of implementation for this approved modification A103A is deemed to be 1st October 2020 i.e. the date of implementation of Modification A103.

Signed:

Karen Kavanagh
Director of Networks & Economic Regulation

Issue Date:



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APPROVAL OF MODIFICATION

CODE MODIFICATION A103A - 'Removal of redundant terminology in Code of Operations arising from the provisions of Code Modification Proposal A103 (Changes to Shipper Tolerances)'

COMMISSION RATIONALE

Pursuant to Section 13(1) of the Gas (Interim) (Regulation) Act 2002, the Commission approves Code Modification A103A '**Removal of redundant terminology in Code of Operations arising from the provisions of Code Modification Proposal A103 (Changes to Shipper Tolerances)**.' Code Modification A103 removed the remaining tolerances applied to certain imbalance quantities in accordance with the requirements of the Balancing Network Code ('BAL NC') (Commission Regulation (EU) No 312/2014). This modification, A103A, removes certain text from the Code which became redundant following the implementation of Modification A103.

Modification A103A does not alter any contractual term or operational practice of the Code as all such changes in relation to Shipper Tolerances were implemented on 1st October 2020. This followed the Commission's Instruction, dated 24th September 2020, to implement Modification A103 on this date.

Accordingly, the date of implementation for this approved modification A103A is deemed to be 1st October 2020 i.e. the date of implementation of Modification A103.

The background and rationale for the modification are set out below.

BACKGROUND

The CRU, on 24th September 2020, approved Modification A103 and instructed that its implementation proceed on 1st October 2020. Modification A103 removed all tolerances relating to Shipper Imbalances with the exception of a 25% tolerance for RNG Entry Points. Modification A103 was driven by the BAL NC which prohibits the use of balancing tolerances other than as an interim measure.

On the 19th May 2021, GNI proposed Modification A103A with a view to removing, from the Code, all references to balancing tolerances except in the case of RNG Entry Points.

BRIEF OUTLINE OF THE CODE MODIFICATION AND INDUSTRY CONSULTATION

Modification Proposal A103A was circulated for consultation together with its legal text on 19th May 2021. The closing date for consultation was 11th June, no submissions were received. Subsequently the modification was an agenda item at the Code Modification Forum Meetings on 16th June, 18th August and 20th October where no comment was received from the attendees.

This modification is essentially an editorial exercise to ensure the text of the Code is consistent with the requirements of Modification A103. It does not result in any alteration to the contractual or operational provisions of the Code and ensures that all terminology in the Code is now consistent with a zero-tolerance balancing regime except in the case of RNG Entry Points.

REASONS FOR THE APPROVAL OF THE CODE MODIFICATION

This modification removes redundant terminology from the Code and thus gives rise to further clarity in describing the rules for the calculation of imbalances in the Code.

Issue Date: 23 March 2022

Code Modification A0103A
Modification of Code of Operations
to address terminology in the Code of Operations consequent on
the implementation of Code Modification A0103 to remove
LDM GFPS Tolerance, NDM Forecast Tolerance, DM Exit Tolerance
from Code of Operations

The Code of Operations shall be modified as follows to give effect to Code Modification A0103A consequent on the implementation of Modification A0103;

1. Part A (*Definitions and Interpretation*) shall be amended by deleting the following defined terms and their associated definitions:

“First Tier Imbalance Price”;

“First Tier Imbalance Quantity”;

“Second Tier Imbalance Price”;

“Second Tier Imbalance Quantity”;

“Shipper Portfolio Tolerance”.

2. The following new defined terms and definitions shall be inserted in Part A (*Definitions and Interpretations*) in alphabetical order:

“Imbalance Quantity (RNG)” has the meaning in Part E (*Balancing Shrinkage*) Section 1.6.1(a);

“Imbalance Quantity (Non RNG)” has the meaning in Part E (*Balancing Shrinkage*) Section 1.6.1(b);

“Imbalance Price (RNG)” has the meaning in Part E (*Balancing Shrinkage*) Section 1.6.1(c);

“Imbalance Price (Non RNG)” has the meaning in Part E (*Balancing Shrinkage*) Section 1.6.1(d).

3. Part E (*Balancing Shrinkage*) shall be modified as attached.
4. In Part G (*Technical*) the reference to “First Tier Imbalance Price” in each of Section 1.3.5 and Section 1.5.3 shall be deleted and the term “Imbalance Price (RNG)” substituted therefor.
5. In Part H (*Operations*) the reference to First Tier Imbalance Price in Section 1.11 shall be deleted and the term “Imbalance Price (Non RNG)” substituted therefor.