

# CODE OF OPERATIONS MODIFICATION PROPOSAL



## MODIFICATION DETAILS

<b>Modification Number:</b> A112		<b>Modification Title:</b> Amendment to the Code of Operations to reflect market developments including new options on Capacity Products and revised arrangements around Supplier of Last Resort invoicing and to take account of recent experience in SoLR events.		
<b>Modification Proposer:</b>	<b>Modification Representative:</b>	<b>Modification Representative Contact Details (email address):</b>	<b>Date Submitted:</b>	<b>Proposed Implementation Date:</b>
Gas Networks Ireland	Douglas O'Brien	<a href="mailto:douglas.obrien@gasnetworks.ie">douglas.obrien@gasnetworks.ie</a>	1 August 2023 <sup>1</sup>	1 October 2023

### Proposal (including rationale):

This proposal is to update the legacy Code of Operations Supplier of Last Resort (SoLR) provisions to take account of and permit the use of new short-term capacity products to alter the SoLR invoicing and Disbursement billing processes in the month of the SoLR event and to take account of recent experience in SoLR events. The SoLR Procedures propose to permit end user assignment at SoLR Affected LDM Offtakes and SoLR Affected DM Offtakes effective at the end of a month of the SoLR Term. The SoLR Procedures are circulated for information and will be discussed at GMARG.

### Proposed Implementation Date:

1 October 2023

### Proposed section of the Code to be modified:

Code of Operations Part F: Section 7; Appendix 1; definitions; plus, general review of the Code of Operations for any existing cross references to SoLR. Ancillary Procedures to the Code to include a new SoLR Procedure which will be discussed at GMARG and which is circulated with this Code Modification.

## MODIFICATION MOTIVATION

### Intended Outcome of the Proposed Modification:

Update the Code of Operations Supplier of Last Resort provisions to take account of market developments, including the availability of Short Term Capacity Products and to allow the SoLR to replace LDM long term capacity bookings with short term capacity products (current drafting only includes annual products). Proposal includes revised arrangements around billing including Disbursement billing process and to outline the impact of a SoLR event on Entry Capacity Bookings The new SoLR Procedure circulated with this proposal will be discussed at GMARG.

### Benefits of implementing this Modification:

The Code will facilitate the availability of market developments since initial drafting of SoLR Code provisions available to the SoLR and facilitate more economic and efficient process with SoLR events.

### Consequences of not making this Modification:

There are potential total cost-savings for an SoLR event if the SoLR gains access to short-term capacity products, without the modifications these savings are lost. IT systemisation costs (and IT development time) are very high under the current Code SoLR billing processes, these costs/project development times are expected to dramatically reduce if the modifications are approved.

### Regulatory Impact Assessment:

The Code will facilitate the availability of market developments since initial drafting of SoLR Code provisions available to the SoLR and facilitate more economic and efficient process with SoLR events

### Illustrative Example (Please enter a scenario where the issue and solution are illustrated):

CODE OF OPERATIONS  
PART F

---

ADMINISTRATION

---

VERSION 5.04

Comprises version 5.04 published as of ~~December~~ 2019  
incorporating the following Modifications

- (1) Modification A087; Prepayment Metering
- (2) Modification A100; Use of System Agreement – South-North Pipeline
- (3) Modification A101; Extension of Daily Capacity Booking Window and to amend the multiplier for categories of Capacity Overrun Charges
- (4) Modification A102; Shrinkage Gas Procurement
- (5) Modification A103/103A; Removal of LDM GFPS Tolerance, NDM Forecast Tolerance, DM Exit Tolerance and associated redundant terminology
- (6) Modification A104; Transfer payment of Capacity Overrun Charge Revenue from Capacity Overruns Disbursement Account to Allowed Revenue; remove caps for Supply Point Capacity Overruns
- (7) Modification A104A; Removal of Scheduling Charges from Disbursements Account
- (8) Modification A105; Removal of reference to Kinsale Field (Inch)
- (9) Modification A106; Deletion of Entry Point Transfer provisions from Code of Operations
- (10) Modification A107; Amendment to remove annual caps on non-SPC Capacity Overrun Charges
- (11) Modification A108; Amendment to incorporate the transfer of Shrinkage Gas Cost recovery from a separate Shipper Charge to allowed revenues from tariffs from the start of the Gas Year 2020/21
- (12) Modification A109; Amendment to specify the basis of calculation of

- charge in respect of an adjustment to a metered quantity (Metered Quantity Adjustment) as referred to in Part G (*Technical*) Section 4.9**
- (13) Modification A110; Amendment to reduce the Annual Caps on the multipliers for certain Supply Point Capacity Overruns and to delete the Supply Point Capacity Overrun Disbursements Account**

**Part F**

1. JBP USER AND REGISTERED SHIPPER ..... 1

2. CLASSIFICATION ..... 14

3. OFFTAKE POINT ADMINISTRATION..... 17

4. GAS POINT REGISTER OPERATOR..... 19

5. METER DATA SERVICES ..... 20

6. SITEWORKS..... 20

7. SOLR CAPACITY AND TRANSPORTATION..... 20

8. REVENUE PROTECTION PROCEDURES ..... 21

  

APPENDIX 1 ..... 22

## 1. **JBP USER AND REGISTERED SHIPPER**

### 1.1 **IP Approval**

A Shipper shall apply to become a JBP User at an Interconnection Point in accordance with this Part F Section 1.16.

### 1.2 **Registration**

1.2.1 A Shipper shall apply to become a Registered Shipper at an IP Entry Point, an Entry Point, an IP CSEP, a Commissioning Connected System Point and IP VEntry, an IP VExit, an Exit Point, the Sub-Sea I/C Offtake and/or a Supply Point in accordance with this Part F.

#### 1.2.2 **Number of Registered Shippers at an Offtake Point**

On any Day only a single Shipper shall be registered at any one TCDM Exit Point, DM Supply Point or NDM Supply Point. More than one Shipper may be registered at a Multiple Shipper LDM Offtake.

### 1.3 **Shipper Registration at an IP Entry Point and/or an Entry Point and Short Term Capacity Notification**

1.3.1 A Shipper which is a JBP User shall apply to become a Registered Shipper at an IP Entry Point by applying for IP Entry Capacity at that IP Entry Point in accordance with Part C (*Capacity*) Section 2 (*IP Capacity*) and shall become a Registered Shipper at an IP Entry Point on the first Day of the IP Capacity Booking Period of such Shippers IP Entry Capacity Booking.

1.3.2 A Shipper shall apply to become a Registered Shipper at an Entry Point by applying for Entry Capacity at that Entry Point or at a Proposed Entry Point in accordance with Part C (*Capacity*) Section 3.2 (*Entry Capacity Request and Booking*).

1.3.3 A Shipper shall become a Registered Shipper at an Entry Point on the first day of the Entry Capacity Booking Period of such Shipper's Entry Capacity Booking.

1.3.4 A Proposed Entry Point shall become an Entry Point on the Day ("**the Entry Point Commencement Date**") certified by the Transporter as the Day upon which any facilities (including any facilities in any Connected System) required by the Transporter for the performance of its obligations pursuant to this Code are completed and operational and the Transporter has received all legal and regulatory approvals required to make the Entry Point operational and accept deliveries of Shipper's Natural Gas at the Proposed Entry Point. The Transporter shall notify each Shipper which has submitted an application for Entry Capacity at a Proposed Entry Point of the date upon which the Proposed Entry Point becomes an Entry Point.

- 1.3.5 A Shipper which is not a Registered Shipper at an Entry Point shall, in order to have the right to apply for Short Term Capacity at that Entry Point submit a notice ("**Short Term Entry Capacity Notice**") to the Transporter.
- 1.3.6 A Short Term Entry Capacity Notice shall include such information as shall be necessary to enable the Transporter to process the application including:
- (a) the Shipper ID of the Shipper submitting the application;
  - (b) the date with effect from which the Shipper wishes to have the right to submit Short Term Entry Capacity Requests in accordance with Part C (*Capacity*) (Section 3) which shall not be less than (10) ten Business Days after submission of the notice.
  - (c) confirmation that the Shipper is the holder of such documentation as may be necessary at the relevant Entry Point (including such documentation as is specified in any applicable Entry Point Procedures);
- 1.3.7 The Transporter may reject a Short Term Entry Capacity Notice for any of the following reasons:
- (a) the application has not been submitted in accordance with Section 1.3.6;  
or
  - (b) the Shipper is in breach of this Code or any Ancillary agreement.
- 1.3.8 If the Short Term Entry Capacity Notice is rejected in accordance with Section 1.3.7 above then the Transporter shall provide the reason therefor to the Shipper as soon as reasonably practicable but in any event within three Business days of such rejection;
- 1.3.9 If the Short Term Entry Capacity Notice is accepted by the Transporter then:
- (a) the Transporter shall establish the Shipper on GNI (IT) Systems at the Entry Point to facilitate the Shipper's submission of Short Term Entry Capacity Requests in accordance with the Code; and
  - (b) the Shipper shall be entitled to submit Short Term Entry Capacity Requests with effect from the date specified in the Short Term Entry Capacity Notice or such other date as may be agreed with the Transporter.
- 1.4 **Shipper Registration at a LDM Offtake or a Proposed LDM Offtake and Short Term Capacity Notification**
- 1.4.1 A Shipper shall apply to become a Registered Shipper at a LDM Offtake or at a Proposed LDM Offtake by applying for LDM Exit Capacity in accordance with Part C (*Capacity*) Section 7.2 (*LDM Exit Capacity and LDM Capacity Application*).

- 1.4.2 A Shipper shall become a Registered Shipper at a LDM Offtake on the LDM Capacity Booking Effective Date of the Long Term LDM Capacity Booking.
- 1.4.3 A Proposed LDM Offtake shall become a LDM Offtake on the day certified by the Transporter as the day upon which any facilities (including any connecting pipelines upstream of such Proposed LDM Offtake) required by the Transporter for the performance of its obligations pursuant to this Code are completed and operational. The Transporter shall notify a Shipper which has submitted an application to become a Registered Shipper at a Proposed LDM Offtake of the date upon which the Proposed LDM Offtake becomes a LDM Offtake.
- 1.4.4 More than one Shipper may apply to be, and may be, registered at a LDM Offtake.
- 1.4.5 Where a Shipper applies to become a Registered Shipper at an LDM Supply Point or a Proposed LDM Supply Point at or in respect of which Capacity Bookings have been terminated pursuant to a Shipper's Specific Termination Notice issued in accordance with Part I (*Legal and General*) Section 4.2.4(b); and
- (a) the Capacity Booking the subject matter of the Shippers Specific Termination Notice was terminated within six (6) months prior to the date of the submission of the application by the Shipper to become Registered Shipper at or in respect of the Supply Point or the proposed Supply Point; and
  - (b) the End User at the relevant LDM Supply Point or proposed LDM Supply Point is one and the same as the End User at the LDM Supply Point when the Shipper's Specific Termination Notice issued (or an affiliate of such End User),
- the Shipper submitting the application to become Registered Shipper at the relevant LDM Supply Point or Proposed LDM Supply Point shall discharge all applicable tariffs associated with the Capacity Bookings which were terminated at that LDM Supply Point pursuant to Part I (*Legal and General*) Section 4.2.4(b) as aforesaid up to a maximum of the lesser of six months Capacity Charges or the Capacity Charges which would otherwise have been payable up to the first day of the new Capacity Booking at or in respect of the LDM Supply Point or Proposed LDM Supply Point.
- 1.4.6 A Shipper which is not a Registered Shipper at an LDM Offtake shall, in order to have the right to apply for Short Term LDM Exit Capacity at that LDM Offtake submit a notice ("**Short Term LDM Capacity Notice**") to the Transporter.
- 1.4.7 A Short Term LDM Capacity Notice shall include such information as shall be necessary to enable the Transporter to process the application including:

- (a) the Shipper ID of the Shipper submitting the application;
  - (b) the date with effect from which the Shipper wishes to have the right to submit Short Term LDM Exit Capacity Requests in accordance with Part C (*Capacity*) (Section 7.4) which shall not be less than ten (10) Business Days after submission of the notice; and
  - (c) confirmation that the End User at the LDM Offtake has consented to the Shippers application;
- 1.4.8 The Transporter may reject a Short Term Entry Capacity Notice for any of the following reasons:
- (a) the application has not been submitted in accordance with Section 1.4.7; or
  - (b) the Shipper is in breach of this Code or any Ancillary Agreement.
- 1.4.9 If the Short Term LDM Exit Capacity Notice is rejected in accordance with Section 1.4.8 above then the Transporter shall provide the reason therefor to the Shipper as soon as reasonably practicable but in any event within three Business days of such rejection;
- 1.4.10 If the Short Term LDM Exit Capacity Notice is accepted by the Transporter then:
- (a) the Transporter shall establish the Shipper on GNI (IT) Systems at the LDM Offtake to facilitate the Shipper's submission of Short Term LDM Capacity Requests in accordance with the Code; and
  - (b) the Shipper shall be entitled to submit Short Term LDM Exit Capacity Requests with effect from the date specified in the Short Term LDM Capacity Notice or such other date as may be agreed with the Transporter.
- 1.5 Request to become Registered Shipper to DM Offtake or Proposed DM Offtake**
- 1.5.1 A Shipper shall apply to become the Registered Shipper at a Proposed DM Offtake by submitting to the Transporter a request for a Meter Fit.
- 1.5.2 A Shipper shall apply to become the Registered Shipper at a DM Offtake in accordance with the Change of Shipper Procedures.
- 1.5.3 A Shipper shall apply to become the Registered Shipper at a DM Offtake at which a Meter Lock has been undertaken and in respect of which there is no current Registered Shipper by submitting to the Transporter a request for a Meter Unlock.
- 1.5.4 A Shipper shall become the Registered Shipper at a:



- (a) Proposed DM Offtake on the first Day of the calendar month in which the Meter Fit (requested by such Shipper at the Proposed DM Offtake, or, in respect of which such Shipper is designated to be the Registered Shipper at the Proposed DM Offtake) is completed;
  - (b) DM Offtake on the first Day of the calendar month following completion of a Change of Shipper in respect of such DM Offtake submitted by the Shipper; or
  - (c) DM Offtake at which a Meter Lock has been undertaken and in respect of which there is no Registered Shipper on the first Day of the calendar month in which a Meter Unlock at such DM Offtake (requested by such Shipper, or, in respect of which such Shipper is designated to be the Registered Shipper at the DM Offtake) is completed.
- 1.5.5 For the avoidance of doubt, a Change of Shipper in respect of a DM Offtake shall not be completed until it is accepted by the Transporter following the expiry of any relevant notice periods.
- 1.5.6 A Proposed DM Offtake shall become a DM Offtake on and with effect from the Day on which a Shipper becomes the Registered Shipper to that DM Offtake.
- 1.6 Request to become Registered Shipper to a NDM Supply Point or Proposed NDM Supply Point**
- 1.6.1 A Shipper shall apply to become the Registered Shipper at a Proposed NDM Supply Point by submitting to the Transporter a request for a Meter Fit.
- 1.6.2 A Shipper shall apply to become the Registered Shipper at a NDM Supply Point in accordance with the Change of Shipper Procedures.
- 1.6.3 A Shipper shall apply to become the Registered Shipper at a NDM Supply Point at which a Meter Lock has been undertaken and in respect of which there is no current Registered Shipper by submitting a request for a Meter Unlock.
- 1.6.4 A Shipper shall become the Registered Shipper at a:
- (a) Proposed NDM Supply Point on the Day on which the Meter Fit at such Proposed NDM Supply Point (requested by such Shipper at the Proposed NDM Supply Point, or, in respect of which such Shipper is designated to be the Registered Shipper at the Proposed NDM Supply Point) is completed;
  - (b) NDM Supply Point on the Day on which the Change of Shipper at the NDM Supply Point submitted by such Shipper is completed; or
  - (c) NDM Supply Point at which a Meter Lock has been undertaken and in respect of which there is no current Registered Shipper on the Day on

which the Meter Unlock (requested by such Shipper at such NDM Supply Point, or, in respect of which such Shipper is designated to be the Registered Shipper at such NDM Supply Point) is completed.

- 1.6.5 For the avoidance of doubt, a Change of Shipper at the NDM Supply Point shall not be completed until it is accepted by the Transporter following the expiry of any relevant notice periods.
- 1.6.6 A Proposed NDM Supply Point shall become a NDM Supply Point on and with effect from the Day on which a Shipper becomes the Registered Shipper at that NDM Supply Point.
- 1.6.7 A Shipper shall not be entitled to apply and shall not apply to become the Registered Shipper at a proposed NDM Supply Point or at a NDM Supply Point at which the End User is a household customer unless;
- (a)
- (i) such Shipper has entered into the Shipper Prepayment Metering Agreements and such Shipper Prepayment Metering Agreements remain valid and subsisting; and
  - (ii) the FOSP appointed by the Shipper (together with the FOSP appointed by the Supplier (where applicable)) has delivered a Deed of Covenant to the Transporter (unless the Commission has issued an authorisation or exemption in respect of such Shipper as referred to in Section 1.6.7(b)) and such Deed of Covenant(s) is valid and subsisting and in respect of which notice of termination has not been terminated or suspended; or
- (b) the Transporter has received an authorisation/exemption issued by the Commission with respect to the Shipper exempting such Shipper from the requirement to be a party to the Shipper Prepayment Metering Agreements.
- 1.6.7A A Shipper which applies to become or is the Registered Shipper at a Proposed NDM Supply Point or at an NDM Supply Point at which the End User is a household customer (unless the Commission has issued an authorisation or exemption in respect of such Shipper as referred to in Section 1.6.7(b)) warrants to the Transporter at the date of the application and for so long as the Shipper is the Registered Shipper at any one or more NDM Supply Points at which the End User is a household customer:
- (i) that the Shipper has executed all Shipper Prepayment Metering Agreements and that such agreements are valid and subsisting; and
  - (ii) where the Shipper is not the Supplier at the relevant NDM Supply Point that the Supplier has also appointed an FOSP and executed all

relevant Shipper Prepayment Metering Agreements with such FOSP, and such agreements are valid and subsisting.

- (iii) that the FOSP appointed by the Shipper and the FOSP appointed by the Supplier have executed and delivered to the Transporter a valid and subsisting Deed of Covenant; and that the Shipper is not aware that any such Deed of Covenant has been suspended or is subject to termination notice.
- (iv) that the Shipper (and Supplier where applicable) have lawfully authorised the FOSP to provide such information as the Transporter may reasonably require, including pursuant to the Deed of Covenant, and to co-operate with the BOSP.

1.6.7B Each Shipper acknowledges that a Deed of Covenant shall not be valid and subsisting for the purpose of this section 1.6 if:

- (i) there is a subsisting notice of termination or notice of suspension in respect of the Deed of Covenant; or
- (ii) the Deed of Covenant does not specify relevant rights of termination and suspension and the consequence of each.

1.6.8 A Shipper which is the Registered Shipper at one or more NDM Supply Points at which the End User is a household customer shall (unless the Commission has issued an authorisation or exemption in respect of such Shipper as referred to at Section 1.6.7(b)) at all times be a party to the Shipper Prepayment Metering Agreements and confirms the warranties at Section 1.6.7.A are true and accurate in all respects.

1.6.9 In the event that the BOSP shall have ceased (other than on a temporary basis) to provide services (in whole or in part) to Shippers or as required pursuant to the relevant Transporter Prepayment Metering Agreements and particularly with respect to the provision of services to Shippers pursuant to the relevant Shippers Back Office Service Agreement, the Transporter shall use reasonable endeavours to secure that services which have so ceased so to be provided shall be available (on a limited basis) pending the appointment of new and alternative Back Office Service Provider. Shipper(s) shall enter into such arrangements as may be required by the Transporter with the approval of the Commission with respect to provision of these alternative services.

1.6.10 A Shipper(s) shall comply with the Prepayment Metering Procedures with respect to NDM Supply Points at which the End User is a household customer.

## 1.7 Capacity Register Recording of Registration

The Transporter shall record on the Capacity Register the Day on which the Shipper becomes Registered Shipper at an IP VEntry Point, an IP VExit Point, an IP CSEP, a VEntry, a VExit, a LDM Offtake, a DM Offtake or a NDM Supply Point respectively.

## 1.8 Deregistration

1.8.1 A Shipper shall cease to be:

- (a) a Registered Shipper at an IP Entry Point at the end of the IP Entry Capacity Booking Periods of the Shipper at the relevant IP Entry Point, or as otherwise specified in this Code and/or any Ancillary Agreement.
- (b) a Registered Shipper at an IP CSEP at the end of the IP CSEP Capacity Booking Period(s) of the Shipper at the relevant IP CSEP or as otherwise specified in this Code or any ancillary Agreement.
- (c) a Registered Shipper at a IP VEntry or at an IP VExit at the end of the Capacity Booking Periods of the Shippers applicable Interruptible IP Capacity booking at the IP VEntry or the IP VExit as the case may be.
- (d) a Registered Shipper at an Entry Point at the end of the Entry Capacity Booking Period(s) of all Entry Capacity Bookings of the Shipper at the relevant Entry Point or as otherwise specified in this Code and/or any Ancillary Agreement;
- (e) a Registered Shipper at a LDM Offtake at the end of the LDM Capacity Booking Period of all relevant LDM Capacity Bookings or as otherwise specified in this Code;
- (f) the Registered Shipper at a DM Offtake with effect from the Day:
  - (i) on which another Shipper becomes the Registered Shipper at the DM Offtake as a result of a completed Change of Shipper;
  - (ii) which is the first day of the calendar month following the month in which Isolation of the DM Offtake is completed; or
  - (iii) which is the first day of the calendar month which is:
    - (A) not less than six (6) months after the last Shipper Requested Lock at the relevant DM Offtake; and
    - (B) not less than ten (10) Business Days after submission of a Deregistration Application which is approved by the Transporter;
- (g) the Registered Shipper at a NDM Supply Point with effect from the Day

- (i) on which another Shipper becomes the Registered Shipper at the NDM Supply Point as a result of a completed Change of Shipper;
  - (ii) on which Isolation of the NDM Supply Point is completed; or
  - (iii) at a Tariff Exempt NDM Supply Point in accordance with the Deregistration Procedures; and
- (h) where the Registered Shipper is in breach of the Code and/or any Ancillary Agreement in accordance with the provisions of Part I (*Legal and General*) Section 4 (*Suspension and Termination*).

1.8.2 A Shipper may apply to the Transporter, in accordance with this Section 1.8.2 and the Deregistration Procedures to cease to be the Registered Shipper at a DM Offtake. A Shipper so applying to cease to be the Registered Shipper shall submit to the Transporter an application (“**Deregistration Application**”) in accordance with the Deregistration Procedures. The Deregistration Application shall:

- (a) where the Deregistration Application is with respect to a DM Offtake, be submitted not less than six (6) months after the last Shipper Requested Lock(s) has been completed at such DM Offtake;
- (b) the Deregistration Application shall specify the information required pursuant to the Deregistration Procedures including:
  - (i) the SPRN in respect of the relevant Offtake Point;
  - (ii) the GPRN in respect of each Gas Point configured within such Offtake Point; and
  - (iii) the job number in respect of each Shipper Requested Lock undertaken at each Gas Point configured within the relevant Offtake Point at the request of such Shipper.

1.8.3

- (a) A NDM Supply Point shall become a Tariff Exempt NDM Supply Point in accordance with the Deregistration Procedures.
- (b) A Shipper shall not be obliged to pay Tariffs in respect of a Tariff Exempt NDM Supply Point.
- (c) A Tariff Exempt NDM Supply Point shall cease to be a Tariff Exempt NDM Supply Point in accordance with Deregistration Procedures.

1.8.4 A Shipper that has ceased to be the Registered Shipper at an Offtake Point shall continue to be liable for all accrued payments or other amounts due to the Transporter notwithstanding that the Shipper ceases to be the Registered Shipper and any payments due and owing in respect of any Siteworks

Agreement at or in respect of such Offtake Point shall become immediately due and payable.

1.9 **Not Used**

1.10 **Not Used**

1.11 **Not Used**

1.12 **Sub-Sea I/C Offtake Registration**

1.12.1 A Shipper shall apply to become a Registered Shipper at the Sub-Sea I/C Offtake by applying for Sub-Sea I/C Offtake Capacity in accordance with Part C (*Capacity*) Section 6.13 (*Sub-Sea I/C Offtake Capacity Application*).

1.12.2 A Shipper shall become a Registered Shipper at the Sub-Sea I/C Offtake on the Sub-Sea I/C Offtake Capacity Effective Date of the Sub-Sea I/C Offtake Capacity Booking.

1.12.3 A Shipper shall cease to be the Registered Shipper at the Sub-Sea I/C Offtake at the end of the Sub-Sea I/C Offtake Capacity Booking Period of all relevant Sub-Sea I/C Offtake Capacity Bookings of the Shipper or as otherwise specified in this Code.

1.13 **Commissioning Connected System Point Registration**

1.13.1 A Commissioning Shipper shall apply to become a Registered Shipper at a Commissioning Connected System Point by applying for capacity at that Commissioning Connected System Point in accordance with the applicable Commissioning Reverse Flow Arrangements.

1.13.2 A Commissioning Shipper shall become a Registered Shipper, and, shall cease to be a Registered Shipper at a Commissioning Connected Systems Point in accordance with the applicable Commissioning Reverse Flow Arrangements.

1.13.3 Charges in respect of capacity at a Commissioning Connected System Point shall comprise the capacity component of the applicable Tariff.

1.13.4 Registered Shippers at a Commissioning Connected System Point shall be liable to pay to the Transporter the commodity component of the applicable Tariff.

1.14 **IP CSEP Registration**

1.14.1 A Shipper which is a JBP User shall apply to become a Registered Shipper at an IP CSEP by applying for IP CSEP Offtake Capacity in accordance with Part C (*Capacity*) Section 2 (*IP Capacity*).

1.14.2 A Shipper shall become a Registered Shipper at the IP CSEP on the IP CSEP Capacity Effective Date of the IP CSEP Capacity Booking.

- 1.14.3 A Shipper shall cease to be a Registered Shipper at the IP CSEP at the end of the IP CSEP Capacity Booking Period of all relevant IP CSEP Capacity Bookings of the Shipper or otherwise specified in this Code.

**1.15 Registered Shipper at IP VExit or IP VEntry**

- 1.15.1 A Shipper which is a JBP User shall apply to become a Registered Shipper at an IP VEntry or at an IP VExit by applying for Daily Interruptible IP VEntry Capacity or Daily Interruptible IP VExit Capacity in accordance with Part C (*Capacity*) Section 2.
- 1.15.2 A Shipper which is a JBP User shall become a Registered Shipper at the IP VEntry or the IP VExit (as the case may be) on the IP VEntry Capacity Booking Effective Date or IP VExit Capacity Booking Effective Date of the applicable IP VEntry Capacity Booking or IP VExit Capacity Booking as the case may be.
- 1.15.3 A Shipper shall cease to be a Registered Shipper at the IP VEntry or at the IP VExit at the end of each applicable IP VEntry Capacity Booking Period or IP VExit Capacity Booking Period of the Shipper or as otherwise specified in the Code.
- 1.15.4 A Shipper shall not apply to become a Registered Shipper at an IP VEntry or at an IP VExit unless such Shipper has submitted an IP Notification and paid the applicable IP Registration Fee in accordance with Section 1.17;

**1.16 JBP User Approval**

- 1.16.1 Shippers acknowledge that in order for a Shipper to become a JBP User:
- (a) the Shipper must apply to the JBP Operator to register as a user on the JBP and be accepted by the JBP Operator in accordance with the JBP User's T & Cs;
  - (b) specify the Shipper's proposed JBP Nominated User; and
  - (c) the Transporter must consent to the Shipper becoming a JBP User and approve the proposed JBP Nominated User
- for the purpose of this Code.
- 1.16.2 The Shipper shall procure that the JBP Operator shall notify the Transporter of:
- (a) the application of the Shipper to become a JBP User; and
  - (b) proposed JBP Nominated User(s).

Notification to the Transporter in accordance with this Section 1.16.2 shall be made on the JBP.

- 1.16.3 The Transporter shall be entitled to request the Shipper to:
- (a) verify the information which the Transporter has been provided in connection with the application to be a JBP User;
  - (b) verify the information in respect of the proposed JBP Nominated Users; and
  - (c) provide such additional information as the Transporter reasonably requires in order to consider the notice and/or to provide confirmation in accordance with Section 1.16.6.
- 1.16.4 The Transporter shall within 10 Business Days of receipt of notice of the Shipper's application in accordance with Section 1.16.2 above confirm to the JBP Operator that the Transporter approves the registration of the Shipper as a JBP User where:
- (a) the application has been submitted by the Shipper in accordance with this Code and has been notified to the Transporter in accordance with this Code;
  - (b) the Shipper is not in breach of this Code or any ancillary agreement; and
  - (c) the Shipper which has submitted the application has provided all necessary information to enable the Transporter verify the information in accordance with the Transporter's request in accordance with Section 1.16.3.
- 1.16.5 The Transporter may notify the JBP Operator that the Shipper is not approved by the Transporter to become a JBP User if:
- (a) the Transporter is not provided with sufficient information in order to enable the Transporter to consider the application;
  - (b) the Transporter has requested the Shipper to provide further information in connection with the application and the Transporter has not been provided with the required information;
  - (c) the Shipper identified in the application is not a Shipper in accordance with this Code;
  - (d) the Shipper is in breach of the Code or any ancillary agreement; or
  - (e) the Transporter does not approve the JBP Nominated User identified in the application.
- 1.16.6 The JBP User shall notify to the Transporter the identity of each person proposed by the Shipper to be a JBP Nominated User on behalf of the Shipper.
- 1.16.7 The Shipper shall notify the Transporter on the JBP of any proposal to:



- (a) remove any previously approved JBP Nominated User;
  - (b) appoint a new JBP Nominated User.
- 1.16.8 The Transporter shall notify the Shipper if it does not approve of the proposed JBP Nominated User in which case the Shipper shall withdraw the proposal and submit the name of an alternative proposed JBP Nominated User to the JBP Operator and this 1.16.8 shall apply to any such alternative proposed JBP Nominated User.
- 1.16.9 No person may be a JBP Nominated User on behalf of a Shipper unless the Transporter shall consent to such appointment.
- 1.16.10 The Transporter shall be entitled to provide to the JBP Operator on request such information as the JBP Operator may reasonably require in connection with:
- (a) any application by a Shipper to become a JBP User;
  - (b) any JBP Nominated User(s) proposed by the Shipper (pursuant to the JBP Users T&C's); and
  - (c) any change in JBP Nominated Users notified by the JBP User to the JBP Operator.
- 1.16.11 The Transporter shall be entitled to rely on any information it may receive from the JBP Operator pursuant to this Section 1.16 and shall have no responsibility to verify the accuracy of any such information and the Transporter shall have no liability with respect to any information which it may provide to the JBP Operator.
- 1.16.12 The Transporter shall prior to approving a Shipper as a JBP User take such action as may be reasonably necessary to ensure that the Shipper is set up on GNI (IT) Systems in order to facilitate inter alia,
- (a) receipt of notification of a JBP Users' IP Capacity Bookings;
  - (b) submission of IP Capacity Nomination;
  - (c) IP Capacity Trades.
- 1.17 IP Notification and IP Registration fee**
- 1.17.1 A JBP User shall submit an IP Notification in accordance with Section 1.17.2 and pay any applicable fee (an "**IP Registration Fee**") to the Transporter prior to such Shipper submitting an application to become a Registered Shipper at an IP VEntry or an IP VExit in a Gas Year.
- 1.17.2 A Shipper which is a JBP User (or which has applied to become a JBP User) may submit a notification (an "**IP Notification**") to the Transporter that the

Shipper may in respect of any Year apply to become a Registered Shipper at an IP VEntry or an IP VExit and which notification shall specify:

- (a) the Year to which the notification relates;
- (b) the Shipper EIC of the Shipper submitting the notification;
- (c) the location of the IP VExit or IP VEntry to which the notification relates;
- (d) the EIC of the Counterparty Shippers in respect of which the Shipper anticipates it may wish to submit an IP VExit or an IP VEntry Nomination.

For the avoidance of doubt a Shipper which has submitted an IP Notification may from time to time identify additional anticipated Counterparty Shippers and shall provide the relevant EIC of any new or additional such potential Counterparty Shippers.

- 1.17.3 The Transporter shall include in the next invoice issued to a Shipper which has submitted an IP Notification an Invoice item in respect of the applicable IP Registration Fee in respect of the IP VExit or the IP VEntry (or both) as the case may be to which the IP Notification relates.
- 1.17.4 The JBP User shall not seek to become a Registered Shipper at the applicable IP VEntry or IP VExit until such time as the Shipper shall have discharged the applicable IP Registration Fee:
- 1.17.5 If a JBP User applies for and is allocated Daily Interruptible IP VEntry Capacity and/or Daily Interruptible IP VExit Capacity in circumstances where:
  - (a) the Shipper has not submitted the IP Notification in respect of the IP VEntry or IP VExit (as the case may be); and/or
  - (b) has not paid the applicable IP Registration Fee,

the Transporter shall include in the next Monthly Invoice issued to the Shipper an invoice(s) item in respect of the applicable IP Registration Fee and an applicable IP Late Registration Fee in respect of each of the IP VExit and/or IP VEntry in respect of which the Shipper has applied to become a Registered Shipper.

## 2. CLASSIFICATION

### 2.1 Classification

- 2.1.1 Each Gas Point shall be classified as a LDM, a DM or a NDM ("**Gas Point Classification**"). Exit Points shall be classified as LDM or DM. Supply Points shall be classified as LDM, DM or NDM.

2.1.2 The Gas Point Classification shall be determined by the Annual Quantity associated with each Gas Point as follows:

- (a) subject to section 2.1.3 where the Annual Quantity on the first day of the Capacity Booking Period of a Long Term LDM Capacity Booking in respect of a Gas Point is greater than or equal to fifty seven million five hundred thousand (57,500,000) kWh, the classification shall be "**LDM**" or "**Large Daily Metered**";
- (b) subject to Section 2.1.3 where the Annual Quantity in respect of a Gas Point is greater than or equal to five million five hundred and fifty thousand (5,550,000) kWh and less than fifty seven million five hundred thousand (57,500,000) kWh, the classification shall be "**DM**" or "**Daily Metered**";
- (c) subject to Section 2.1.3 where the Annual Quantity in respect of a Gas Point is less than five million five hundred and fifty thousand (5,550,000) kWh, the classification shall be "**NDM**" or "**Non-Daily Metered**" and
- (d) irrespective of the Annual Quantity for all Gas Points at End User Facilities which are CNG Installations the classification shall be "DM".

2.1.3 Where the Annual Quantity in respect of a Gas Point being:

- (a) a Gas Point previously classified as LDM is less than fifty seven million, five hundred thousand (57,500,000) kWh and the relevant Registered Shipper notifies the Transporter that such DM Gas Point should not be reclassified as DM, then provided that the Annual Quantity of such Gas Point is greater than or equal to fifty five million (55,000,000) kWh, the Transporter may maintain the LDM classification of such DM Gas Point; and
- (b) a Gas Point previously classified as DM is less than five million five hundred and fifty thousand (5,550,000) kWh and the relevant Registered Shipper notifies the Transporter that such DM Gas Point should not be reclassified as NDM, then provided that the Annual Quantity in respect of such Gas Point is greater than or equal to 3,000,000 kWh, the Transporter may maintain the DM classification of such DM Gas Point.

2.1.4 An Offtake Point shall have the same classification as the Gas Point(s) which are configured within such Offtake Point.

## 2.2 **Reclassification**

2.2.1 Gas Points may be reclassified by the Transporter on an annual basis in accordance with Section 2.1.2 and the applicable Procedures.

- 2.2.2 The Transporter shall determine annually whether a Gas Point shall be reclassified in advance of the Gas Year and shall notify the Shipper if Siteworks are necessary in connection with such reclassification.
- 2.2.3 Gas Point reclassification shall become effective:
- (a) on the first Day of a Gas Year following notification by the Transporter of reclassification to the Registered Shipper at the Offtake Point within which the Gas Point is configured; or
  - (b) on the first Day of a calendar month following the Month in which any Siteworks required at or in respect of the relevant Gas Point (configured within an Offtake Point) have been completed.
- 2.2.4 If Siteworks are required in connection with any reclassification and no application is submitted to the Transporter within two months of notification by the Transporter to the Shipper that such Siteworks are necessary then the Transporter shall be entitled to discontinue offtake of Natural Gas at the relevant Offtake Point on the first Day of the Gas Year following notification to the Shipper in accordance with Section 2.2 and may isolate the Gas Point.
- 2.2.5 Where a Gas Point configured within an Offtake Point is reclassified the Offtake Point shall be reconfigured pursuant to Section 2.
- 2.2.6 Where:
- (a) there is only one Gas Point configured within an LDM Offtake; and
  - (b) that LDM Gas Point is reclassified from LDM to DM or is reclassified from LDM to NDM; and
  - (c) the LDM Capacity Booking Period of any LDM Capacity Booking at the relevant LDM Offtake extends beyond the Day which is or would otherwise be later than the Day with effect from which the LDM Gas Point is reclassified in accordance with this Code
- then the following shall apply:
- (i) the LDM Capacity Booking Period at such LDM Offtake shall be deemed to expire on the Day immediately prior to the Day with effect from which such reclassification takes place; and
  - (ii) any capacity transfers at or in respect of the LDM Offtake at which reclassification takes effect which extend or would otherwise extend beyond the Day on which the reclassification becomes effective shall be cancelled with effect from the Day on which the applicable LDM Capacity Booking Period shall be deemed to expire.

- 2.2.7 The provisions of Section 2.2.6 shall also apply to a LDM Offtake which incorporates more than one LDM Gas Point where all the LDM Gas Points configured within it are reclassified.
- 2.2.8 Subject to 2.2.6 where there is more than one Gas Point configured within an LDM Offtake and following reclassification one or more such Gas Points continue to be classified as LDM then the LDM Offtake shall remain as such incorporating only those Gas Point(s) which remain classified at LDM, and
- (a) provided that the LDM Capacity Booking at or in respect of the LDM Offtake which remains following such reclassification and reconfiguration does not exceed the MDQ at or in respect of the LDM Offtake, the LDM Capacity Booking at or in respect of the LDM Offtake shall not be affected; or
  - (b) where the LDM Capacity Booking at or in respect of the LDM Offtake exceeds the MDQ in respect of the reconfigured LDM Offtake then the applicable LDM Capacity Booking shall be deemed reduced to the equivalent of the MDQ in respect of such LDM Offtake for the requisite LDM Capacity Booking Period (or as otherwise agreed with the Transporter); and
- in either case it shall be a matter for the Shipper to cancel all Capacity Transfers at or in respect of the LDM Offtake which are affected by such reconfiguration or revised LDM Capacity Booking.

### 3. OFFTAKE POINT ADMINISTRATION

#### 3.1 Configuration of Offtake Points

- 3.1.1 An Offtake Point which is a NDM Supply Point shall comprise one single Gas Point and all other Offtake Points shall comprise one or more Gas Points.
- 3.1.2 All the Gas Points within an Offtake Point must:
- (a) have the same Gas Point Classification;
  - (b) be within a Common Curtilage;
  - (c) have the same End User;
  - (d) have the same Registered Shipper in respect of a DM Offtake; and
  - (e) have the same Registered Shipper(s) in the case of a LDM Offtake.
- 3.1.3 A Shipper may request a change to the configuration of Gas Points comprising a DM Offtake in respect of which the Shipper is the Registered Shipper by submitting a request (a "**Change of Configuration Request**") to the Transporter.

- 3.1.4 The Shipper submitting the Change of Configuration Request shall be the Registered Shipper for all DM Offtakes and/or NDM Supply Points affected by the Change of Configuration Request.
- 3.1.5 A Change of Configuration Request shall specify:
- (a) the identity of the proposing Shipper;
  - (b) the date from which the change of configuration is required;
  - (c) each relevant Supply Point Registration Number ("**SPRN**");
  - (d) each relevant Gas Point Registration Number ("**GPRN**"); and
  - (e) details of the proposed reconfiguration.
- 3.1.6 The Transporter shall determine whether or not a Change of Configuration Request shall be accepted or rejected and shall inform the Registered Shipper of its determination.
- 3.1.7 Any reconfiguration that is to take place shall be subject to completion of any necessary Siteworks, in accordance with Section 6.
- 3.1.8 Where the Gas Point Classification of any Gas Point configured within a LDM Offtake or DM Offtake is reclassified in accordance with Section 2 the relevant LDM Offtake or DM Offtake (as the case may be) shall be reconfigured by the Transporter.
- 3.1.9 The Transporter shall amend the Capacity Register to reflect any changes in the configuration of a LDM Offtake or DM Offtake (as the case may be) pursuant to this Section 3.
- 3.1.10 A Change of Configuration Request that is accepted by the Transporter in respect of a DM Offtake shall be effective from the first day of the calendar month following reconfiguration pursuant to such Change of Configuration Request.
- 3.1.11 The Transporter shall reject any Change of Configuration Request where a Change of Shipper Request in respect of the same DM Offtake is being processed. Any reconfiguration required to facilitate a Change of Shipper must take place prior to the Change of Shipper Request being submitted.
- 3.1.12 For the avoidance of doubt, following a reconfiguration where a new SPRN is created, the Registered Shipper shall remain the Registered Shipper in respect of all DM Offtakes arising from such reconfiguration.

## 3.2 Gas Point Isolations

- 3.2.1 A Shipper may request the Transporter to carry out an Isolation of a Gas Point(s) within a DM Offtake or the Gas Point at a NDM Supply Point in

respect of which it is the Registered Shipper, subject to and in accordance with this Section 3.2.

- 3.2.2 A Shipper may only request an Isolation of all the Gas Points within a DM Offtake. If a Shipper wishes to request the Isolation of one or more Gas Points but not all of such Gas Points, the Shipper shall at or prior to submission of the request for Isolation submit a Change of Configuration Request to the Transporter. Any reconfiguration must take place prior to the Isolation of the DM Offtake.
  - 3.2.3 Where a Shipper requests an Isolation, the Shipper warrants to the Transporter that it has complied with any Legal Requirement or code of practice relating to the cessation of supply at the DM Offtake or NDM Supply Point which is subject to the Isolation.
  - 3.2.4 The Transporter shall not carry out the Isolation of a DM Offtake or NDM Supply Point in the event that the Shipper requesting the Isolation is not the Registered Shipper on the Day on which the Isolation is to be carried out.
  - 3.2.5 The Shipper shall subject to Section 1.8 cease to be the Registered Shipper at a DM Offtake with effect from the end of the Month in which the Isolation requested by such Shipper is completed.
  - 3.2.6 The Shipper shall subject to Section 1.8 cease to be the Registered Shipper at a NDM Supply Point with effect from the end of the Day on which the Isolation is completed.
  - 3.2.7 The Transporter shall be entitled to carry out an Isolation or such other activity as the Transporter may consider appropriate at a DM Offtake or a NDM Supply Point in respect of which a Registered Shipper has submitted a Deregistration Application in accordance with Section 1.8.2.
  - 3.2.8 Where an Isolation of a DM Offtake or a NDM Supply Point has been completed the relevant DM Offtake or NDM Supply Point may become a Proposed DM Offtake or a Proposed NDM Supply Point as the case may be.
  - 3.2.9 The Transporter shall be entitled to carry out an Isolation at a LDM Gas Point in circumstances outlined in Section 2.2.4.
4. **GAS POINT REGISTER OPERATOR**
- 4.1 The Transporter shall establish, operate and maintain a service known as the Gas Point Registration Operator.
  - 4.2 The GPRO shall establish and maintain a register of Gas Points (the "**Gas Point Register**" or "**GPR**"), which shall be administered in accordance with the GPRO Procedures.
  - 4.3 The Transporter shall keep, maintain and publish the GPRO Procedures.

- 4.4 A Change of Shipper shall be conducted in accordance with the GPRO Procedures.
- 4.5 Each Shipper shall be responsible for updating any changes to the data in respect of an Offtake Point for which it is the Registered Shipper in accordance with the GPRO Procedures.
- 4.6 Each Shipper shall be required to comply with the GPRO Procedures.
5. **METER DATA SERVICES**
- 5.1 The provisions of this Section 5 shall only apply in respect of NDM Gas Points.
- 5.2 The Transporter shall keep, maintain and publish the Meter Data Services Procedures.
- 5.3 The provision by the Transporter of Meter Data Services shall be conducted in accordance with the Meter Data Services Procedures and this Section 5.
- 5.4 Any query in respect of a NDM Meter Read shall be dealt with in accordance with the Meter Read Query Resolution Policy.
- 5.5 Each Shipper shall be required to comply with the Meter Data Services Procedures.
- 5.6 Without prejudice to Sections 5.1 to 5.5 above the Prepayment Metering Procedure shall (also) apply in respect of NDM Supply Points at which the End User is a household customer.
6. **SITWORKS**
- 6.1 The provisions of this Section 6 shall only apply in respect of TCDM Exit Points, DM Supply Points, DM Gas Points, NDM Supply Points and NDM Gas Points.
- 6.2 Each Shipper which is registered at a DM Offtake or a NDM Supply Point shall enter into a Siteworks Agreement known as a Shipper's Operational Siteworks Services Agreement with the Transporter pursuant to which certain Siteworks shall be requested and/or provided.
- 6.3 The Transporter may develop further Siteworks Procedures (which shall be in addition to the Operational Siteworks Services Procedures as referred to in the Operational Siteworks Services Agreement) with the approval of the Commission. The Transporter shall keep, maintain and publish the Siteworks Procedures.
- 6.4 Each Shipper shall be required to comply with the Siteworks Procedures.
7. **SOLR CAPACITY AND TRANSPORTATION**
- 7.1 The provisions of this Part F Section 7 including Appendix 1 hereto shall apply in the event of the issue by the Commission of a Last Resort Supply Direction. In the event of any conflict between the provisions of this Part F Section 7 (including Appendix 1) and the remaining provisions of the Code, the provisions of this Section 7 including Appendix 1 shall prevail over the provisions of Parts C to Part I (inclusive).
- 7.2 Each Shipper (including the SoLR) and the Transporter shall comply with Appendix 1 and with the SoLR Procedures.



- 7.3 The SoLR shall book or be deemed to have booked capacity and the Transporter shall make such capacity available in accordance with Appendix 1 to this Part F; and
- 7.4 The provisions of the Code of Operations shall apply (subject to this Part F Section 7 and save as expressly provided in Appendix 1) (including with respect to Nominations, Allocations, Balancing, Invoicing and otherwise) as if the SoLR in its capacity as SoLR is a separate Shipper and independent of all other bookings which may have been made by it (other than in its capacity as SoLR). The SoLR shall be entitled to participate in Capacity Transfers as a Transferee Shipper only (including in respect of capacity held by the SoLR other than in its capacity as such) provided always that such capacity transfers shall not extend beyond the SoLR Term End Day.
- 7.5 The SoLR shall not be required to provide financial security pursuant to the Financial Security Policy with respect to its bookings of capacity pursuant to this section 7 and/or the SoLR Procedures and any associated commodity charges provided however the Transporter shall be cash neutral with respect to the SoLR including compliance with the provisions of this Section 7 and the SoLR Procedures.
8. **REVENUE PROTECTION PROCEDURES**
- 8.1 Each Shipper shall comply with the Revenue Protection Procedures.

## APPENDIX 1

### 1. DEFINITIONS

Additional definitions required:

“**Failed Supplier**” shall have the meaning in the Code.

~~“**Interim Period**” shall mean a period of twenty Business Days commencing on the Last Resort Supply Direction Effective Date.~~

“**Last Resort Supply Direction**” shall have the meaning in the Code.

“**Last Resort Supply Direction Effective Date**” shall mean the Day specified by the Commission in a Last Resort Supply Direction as the Day on and with effect from which the SoLR shall fulfil the function of Supplier of Last Resort with respect to End Users at Offtake Points referenced in the direction.

“**Non-SoLR Portfolio**” shall mean in respect of the Shipper which is the SoLR all capacity bookings of such Shipper other than capacity bookings in respect of (i) SoLR Affected DM Offtakes and SoLR Affected LDM Offtakes; and (ii) Entry Capacity Bookings made by the SoLR in its capacity as such.

“**SoLR Affected Offtakes**” shall mean those Offtake Points referenced in the Last Resort Supply Direction at which the Failed Supplier is recorded as Supplier to the End User.

“**SoLR Affected Shipper**” shall mean the Shipper(s) which is the Registered Shipper at an Offtake Point(s) at which a Failed Supplier is recorded ~~[by the GPRO]~~ as the Supplier to the End User. A SoLR Affected Shipper may be one and the same as the Failed Supplier.

“**SoLR Capacity Charges**” shall have the meaning in this Part F Appendix 1 Section 4.1.3;

“**SoLR Exit Capacity Request**” shall have the meaning in this Part F Appendix 1 Section 3.3.4;

“**SoLR Portfolio**” means all SoLR Affected Offtakes referenced in the Last Resort Supply Direction (but excluding SoLR Affected NDM Offtakes) and all Entry Capacity Bookings made by the SoLR in its capacity as such.

“**SoLR Procedures**” shall have the meaning in the Code

“**SoLR Term**” shall mean the period commencing on the Last Resort Supply Direction Effective Date, in respect of which the SoLR is to fulfil the function of supply of Natural Gas to End Users of a Failed Supplier as specified in the Last Resort Supply Direction and ending on the SoLR Term End Day ~~in accordance with Section 5.1.~~

“**SoLR Term End Day**” means the Day specified as such in the Last Resort Supply Directions ~~shall have the meaning in this Part F Appendix 1 Section 5.1;~~

“**SoLR Notice**” means a notification issued by the SoLR to relevant End Users notifying them that a Last Resort Supply Direction has been issued in respect of such End User’s Supplier.

“**Supplier**” shall have the meaning in the Code.

“**Supplier of Last Resort**” or “**SoLR**” shall have the meaning in the Code

## 2. **SoLR ENTRY CAPACITY BOOKING**

### 2.1 **Registration and Entry Capacity**

2.1.1 ~~The SoLR is not assigned the Entry Capacity on the IP Entry Capacity of the SoLR Affected Shipper and is not deemed to have booked Entry Capacity and/or IP Entry Capacity pursuant to this Appendix 1; it shall be a matter for the SoLR to acquire such Entry Capacity, IP Entry Capacity and or submit nominations acquire gas at the IBP or otherwise as may be necessary to ensure compliance with Part E (Balancing - Shrinkage) separately in respect of each of its SoLR Portfolio and the Non-SoLR Portfolio. The SoLR shall with effect from the Last Resort Supply Direction Effective Date ensure that it has sufficient Entry Capacity or IP Entry Capacity to fulfil its obligations with respect to SoLR Affected Offtakes.~~

## 3 **REGISTRATION AND CAPACITY AT SoLR AFFECTED OFFTAKES**

### 3.1 **SoLR Registration**

3.1.1 The SoLR shall on and with effect from the Last Resort Supply Direction Effective Date be deemed to have applied to be and shall be:

- (a) a Registered Shipper at each LDM Offtake which is a SoLR Affected Offtake;
- (b) the Registered Shipper at each DM Offtake which is a SoLR Affected Offtake; and
- (c) the Registered Shipper at each NDM Supply Point which is a SoLR Affected Offtake.

3.1.2 The Transporter shall record the SoLR as Registered Shipper at each SoLR Affected Offtake as of the Last Resort Supply Direction Effective Date in accordance with the SoLR Procedures.

~~3.1.3 Notwithstanding that the SoLR shall be recorded as Registered Shipper at each NDM Supply Point which is a SoLR Affected Offtake each such NDM Supply Point shall be included in the SoLR’s Non-SoLR Portfolio but shall be separately identifiable in accordance with the SoLR Procedures.~~

### 3.2 **Capacity Bookings**

3.2.1 The SoLR shall be deemed to have booked capacity pursuant to this Code at each SoLR Affected Offtake as follows:

- ~~(a) (a) at each LDM Offtake which is a SoLR Affected Offtake in each case for the SoLR Term; the amount of Exit Capacity and where applicable the Supply Point Capacity which was held by the SoLR Affected Shipper at the start of the Last Resort Supply Direction Effective Date.:~~
- ~~(i) an amount of Exit Capacity equal to the Minimum Booking Quantity; and~~
  - ~~(ii) that amount of Supply Point Capacity (where applicable) which is the equivalent of the Supply Point Capacity which had been booked by the SoLR Affected Shipper at such LDM Offtake on the Day prior to Last Resort Supply Direction Effective Date; and~~
- (b) at or in respect of each DM Offtake which is a SoLR Affected Offtake, the DM Exit Capacity and DM Supply Point Capacity which was held by the SoLR Affected Shipper immediately prior to the start of the Last Resort Supply Direction Effective Date.
- ~~(i) an amount of Exit Capacity equal to the Minimum Booking Quantity; and~~
  - ~~(ii) the Transporter Determined DM Supply Point Capacity in respect of each DM Supply Point which is a SoLR Affected Offtake;~~
- (c) the Transporter Determined NDM Supply Point Capacity and the Transporter Determined NDM Exit Capacity at or in respect of each NDM Supply Point which is a SoLR Affected Offtake.

and in each case effective as of the Last Resort Supply Direction Effective Date and for the duration of the SoLR Term save as set out in this Appendix 1 or otherwise in accordance with the SoLR Procedures.

### 3.3 Exit Capacity Booking at SoLR Affected Offtakes.

3.3.1 The SoLR may with effect from the first Day of the calendar month which commences after the Last Resort Supply Direction Effective Date on 2 days notice to the Transporter.

- ~~(a) terminate the SoLR LDM Capacity Booking at an SoLR Affected Offtake which the SoLR is deemed to have booked pursuant to clause 3.2.1(a) provided that the SoLR shall have applied for and booked LDM Exit Capacity (and where applicable LDM Supply Point Capacity) in respect of the specified SoLR Affected LDM Offtake. shall as soon as reasonably practical and in any event prior to the expiry of the Interim Period (such that the revised Exit Capacity Bookings may be effected as of the first Day following the expiry of the Interim Period) book in respect of each SoLR Affected Offtake that amount of Exit Capacity which the SoLR reasonably determines may be required by the SoLR to fulfil its obligation in respect of each SoLR Affected Offtake. The SoLR may~~

~~have due regard to the availability of Secondary Capacity in making such determination.~~

~~(b) terminate any Short Term Exit Capacity booked in respect of any SoLR Affected LDM Offtake or in aggregate in respect of the SoLR Affected DM Offtake(s).~~

3.3.2 The SoLR shall be entitled to write to the Transporter for Exit Capacity in accordance with the following provisions of this Section 3.

3.3.3 The SoLR shall submit a separate application with respect to each SoLR Affected LDM Offtake in respect of which the SoLR wishes to reserve Exit Capacity, ~~in addition to the Minimum Booking Quantity which the SoLR shall have been deemed to have booked in respect of each such Offtake or such other quantity as shall previously have been reserved by the SoLR in respect of such SoLR Affected Offtake(s);~~

3.3.4 The SoLR shall apply to book the Exit Capacity in respect of SoLR Affected LDM Offtakes by submitting a request to the Transporter (“**SoLR Exit Capacity Request**”). The SoLR Exit Capacity Request shall specify the information required by the Transporter to process the application including;

(a) the relevant SoLR Affected LDM Offtake or SoLR Affected DM Offtake (as the case may be);

(b) the amount of Exit Capacity already reserved by the SoLR at the applicable SoLR Affected LDM Offtake or SoLR Affected DM Offtake (as the case may be) pursuant to Section 3.2 or otherwise;

(c) the ~~increase~~ reduction in the amount of Exit Capacity required (in kWh/Day) in respect of the relevant SoLR Affected LDM Offtake or the increase in the amount of Exit Capacity required (in kWh/Day) in respect of the relevant DM Offtake;

(d) the proposed amount of Exit Capacity as increased, to be retained (in kWh/Day) at or in respect of the SoLR Affected Offtake;

(e) the required Day from which the requested increased capacity booking shall be effective (which Day shall be not earlier than the Day after the Day upon which the SoLR Capacity Request is received by the Transporter).

3.3.5 The Transporter will reject the SoLR Exit Capacity Request for any of the following reasons:-

(a) the SoLR Exit Capacity Request is not submitted by the SoLR in accordance with Section 3.3.4;

(b) the SoLR Exit Capacity Request specifies more than one SoLR Affected Offtake;

(c) the requested SoLR Exit Capacity Request specifies a requested Effective Day which is on or prior to the Day on which the request is received by the Transporter;-

~~(d)~~ The SoLR Exit Capacity Request is in respect of a SoLR Affected DM Offtake and specifies a reduction in the amount of Exit Capacity required.

- 3.3.6 The Transporter may reject the SoLR Exit Capacity Request where the SoLR Exit Capacity Request has not been submitted on or before the day prior to the requested Effective Day specified in the SoLR Exit Capacity Request.
- 3.3.7 On approval ~~of~~by the Transporter of a SoLR Exit Capacity Request the primary LDM Exit Capacity, ~~and/or DM Exit Capacity~~ deemed to be reserved by SoLR at the relevant SoLR Affected LDM Offtake or in respect of the relevant SoLR Affected DM Offtake, shall be deemed to be the amount of retained Exit Capacity specified in the SoLR Exit Capacity Request approved by the Transporter with effect from the required Day as specified in the SoLR Exit Capacity Request or as otherwise agreed with the Transporter.
- 3.3.8 For the avoidance of doubt the provisions of Part C (*Capacity*) shall apply with respect to Exit Capacity Requests submitted by the SoLR save as otherwise provided herein and in the event of any conflict between Part C (*Capacity*) and this Appendix 1 the provisions of this Appendix 1 shall prevail.

#### 4. SoLR TERM INTERIM PERIOD

- 4.1 The following provisions shall apply in respect of the SoLR Term Interim Period:
- 4.1.1 the SoLR shall be entitled to submit, in respect of each Day within the SoLR Term, Nominations in accordance with Part D (*Nominations, Allocations and Supply Point Reconciliation*):
- (a) Exit Nominations at or in respect of each SoLR Affected LDM Offtake; and
  - (b) Exit Nominations in aggregate in respect of all SoLR Affected DM Offtakes; and
  - (c) Exit Nomination in aggregate in respect of all SoLR Affected NDM Supply Points and all NDM Supply Points at which it is Registered Shipper in the Shippers Non-SoLR Portfolio.~~Exit Nominations in aggregate in respect of all SoLR Affected NDM Supply Points~~
- ~~and the Transporter shall not reject such Nominations solely on the basis that the SoLR has booked the Minimum Booking Quantity only in respect of the Interim Period.~~
- 4.1.2 Capacity Charges in respect of Long Term Exit Capacity during the SoLR Term Interim Period (**SoLR Capacity Charges**) shall comprise the capacity component of the applicable Tariff; capacity charges in respect of all other capacity shall be the applicable Tariff.~~where the applicable Tariff shall be the daily equivalent of the applicable Tariff in respect of Long Term Exit Capacity (as the case may be).~~
- 4.1.3 the SoLR will be liable to pay to the Transporter SoLR Capacity Charges in respect of each Day ~~in the Interim Period~~ as follows:
- (a) in respect of each SoLR Affected LDM Offtake SoLR Capacity Charges for the greater of:

- (i) the ~~Primary~~-LDM Exit Capacity reserved by the SoLR in respect of each Day ~~during the Interim Period~~; or
  - (ii) in respect of all Natural Gas allocated as offtaken by the SoLR at each such LDM Offtake on each Day during the ~~SoLR Term~~Interim Period;
- (b) in respect of all SoLR Affected DM Offtakes SoLR Capacity Charges for the greater of:
- (i) the aggregate DM Exit Capacity reserved by the SoLR in respect of all SoLR Affected DM Offtakes in respect of each Day ~~in the Interim Period~~; or
  - (ii) all Natural Gas allocated as offtaken by the SoLR in respect of all SoLR Affected DM Offtakes.
- (c) SoLR Capacity Charges in respect of NDM Exit Capacity as calculated in accordance with the Code of Operations; and
- (d) all Supply Point Capacity Charges as calculated and payable in accordance with the Code;
- (e) overrun charges shall only apply at a SoLR Affected Offtake if the SoLR has reduced the amount of Exit Capacity at such SoLR Affected Offtake;

in addition to the foregoing the SoLR shall be responsible for the commodity component of the applicable Tariff in respect of all Natural Gas allocated as offtaken by the SoLR at and in respect of all SoLR Affected Offtake Points on a Day.

Subject to the foregoing the SoLR shall be responsible for and shall be liable to discharge all other charges (including commodity charges) as payable in accordance with the Code.

All charges associated with the SoLR Affected NDM Supply Points shall be invoiced and payable as part of the SoLR's Non SoLR Portfolio.

## 5. EXPIRY OF SoLR TERM

5.1 The SoLR Term shall expire with respect to each SoLR Affected Offtake ~~at 05:59 hours the end of the Day which is the on the first day of the calendar month which is not less than three months after the Last Resort Supply Direction Effective Date (the "SoLR Term End Day")~~ as specified in the Last Resort Supply Direction.

5.2 At 04:59 on the SoLR Term End Day:

5.2.1 the SoLR shall cease to be a Registered Shipper at each LDM Offtake which is a SoLR Affected Offtake;

5.2.2 the SoLR shall remain the Registered Shipper at DM Offtakes and at NDM Supply Point which are SoLR Affected Offtakes which shall be included as part of the SoLR's Non-SoLR Portfolio ~~treated in the manner in all respects as other DM Offtakes and NDM Supply Points at which Shipper is Registered Shipper pursuant to the Code~~ unless there is a successful Change of Shipper pursuant to the GPRO Procedures in respect of such Offtake Points.

5.3 If, at the expiry of the SoLR Term the SoLR remains Registered Shipper at a DM Offtake and/or at a NDM Supply Point which was a SoLR Affected Offtake the relevant DM Offtake or NDM Supply Point (as the case may be) shall cease to be designated a SoLR Affected Offtake, notwithstanding that the SoLR shall remain Registered Shipper at such Offtake Point and the provisions of Part F Section 7 and this Appendix 1 and the SoLR Procedures shall cease to apply with respect to said Offtake Point(s).

## 6. ADMINISTRATION OF LAST SUPPLY DIRECTION AND SoLR

6.1 The Transporter shall ensure that the SoLR becomes:

- (a) a Registered Shipper at each SoLR Affected LDM Offtake; and
- (b) the Registered Shipper at each SoLR Affected DM Offtake; and
- (c) the Registered Shipper at each SoLR Affected NDM Supply Point;

and in each case with effect from the Last Resort Supply Direction Effective Date and in accordance with the Code and the SoLR Procedures. The Transporter shall ensure that the SoLR is recorded as holding the amount of Exit Capacity and Supply Point Capacity as is provided for pursuant to this Code and the SoLR Procedures.

6.2 A Shipper shall ~~not~~ be entitled to submit a Change of Shipper Request with respect to a DM Offtake or NDM Supply Point which is an SoLR Affected Offtake to take effect within the SoLR Term effective on the first Day of a calendar month, or otherwise as specified by the CRU.

## 7. EFFECT ON SoLR AFFECTED SHIPPER(S) AND OTHER SHIPPERS

7.1 On and with effect from the Last Resort Supply Direction Effective Date the following provisions shall apply with respect to each SoLR Affected Shipper:

7.1.1 each SoLR Affected Shipper shall cease to be registered at each SoLR Affected LDM Offtake and all Capacity Bookings of such SoLR Affected Shipper at or in respect of such LDM Offtake shall and shall be deemed to have terminated as of the end of the Day prior to the Last Resort Supply Direction Effective Date;

7.1.2 each SoLR Affected Shipper shall cease to be the Registered Shipper at each DM Offtake or NDM Supply Point which is a SoLR Affected Offtake at the end of the Day prior to the Last Resort Supply Direction Effective Date.

7.1.3 Each SoLR Affected Shipper shall be responsible for charges applicable in respect of SoLR Affected Offtakes in accordance with ~~Section 6~~ the Code



including clause 8 below in respect of the period up to the Last Resort Supply Direction Effective Date.

- 7.2 For the avoidance of doubt and save as otherwise agreed with GNI Entry Capacity Bookings of the SoLR Affected Shipper(s) shall not be affected by the Last Resort Supply Direction unless the SoLR Affected Shipper is also the Failed Supplier.

## 8. LIABILITY FOR CHARGES

- 8.1 Notwithstanding any termination of the Capacity Booking of SoLR Affected Shippers at or in respect of SoLR Affected Offtakes each SoLR Affected Shipper shall be responsible for all payments due, accrued or outstanding to the Transporter under the Code or any Ancillary Agreement at the time of termination of such Capacity Bookings and such amounts shall immediately be due and payable by each SoLR Affected Shipper to the Transporter and invoiced in accordance with Part I (*Legal and General*). Such payments shall include the following:

8.1.1 payment of all amounts payable in respect of capacity reserved at or in respect of a DM Offtake and/or a NDM Supply Point which is a SoLR Affected Offtake for a period commencing at the time of the relevant Capacity Booking and ending on the Day prior to the ~~effective date of the~~ Last Resort Supply Direction Effective Date;

8.1.2 payment of any and all amounts which may be due with respect to any LDM Capacity Booking from commencement of such Capacity Booking up and until including the Day prior to the ~~effective date of the~~ Last Resort Supply Direction Effective Date;

8.1.3 any payments due and owing pursuant to any Operational Siteworks Agreement and/or Siteworks Connection Agreement entered into by a SoLR Affected Shipper in respect of any SoLR Affected Offtake; and

8.1.4 any other payment (including for the avoidance of doubt any liabilities or otherwise associated with the Disbursements Account pursuant to Part E (*Balancing and Shrinkage*) due pursuant to this Code or any Ancillary Agreements.

- 8.2 In addition to the foregoing where the SoLR Affected Shipper is also the Failed Supplier such SoLR Affected Shipper shall, in addition to the payments referred to above, be liable for the payment of any and all amounts which may be due or which would have been due pursuant thereto had it not been terminated prematurely (pursuant to the provisions of the Last Resort Supply Direction and this Code) under or in respect of an LDM Capacity Booking in respect of the remainder of the LDM Capacity Booking for the LDM Offtake and any such outstanding amounts shall, where relevant, be accelerated such as to become due and payable immediately upon such termination.

- 8.3 Termination of the Capacity Bookings of a SoLR Affected Shipper (which is also the Failed Supplier) pursuant to the provisions of this Code shall not relieve such SoLR Affected Shipper from any accrued rights or obligations pursuant to the Code of Operations or any ancillary Agreement.

- 8.4 The SoLR shall be liable for the applicable Tariff with respect to all capacity booked or deemed to have been booked by the SoLR and shall be liable for all other charges pursuant to the Code (including Capacity Charges the commodity component of any

applicable Tariff, Balancing Charges and other charges (if any) ~~Shrinkage Charges~~ in accordance with the Code).

~~Without prejudice to Section 4 (Interim Period) all Capacity Charges payable by the SoLR shall be calculated on the basis of the daily equivalent of the applicable Long Term Capacity Charges in respect of relevant Capacity.~~

## Memorandum of Explanation

Code Modification Proposal A112 (Amendment to the Code of Operations to reflect market developments including new options on capacity products and revised arrangements around Supplier of Last Resort invoicing and to take account of recent experience in SoLR events.

The Transporter has progressed a review of the Supplier of Last Resort (SoLR) Code arrangements and associated charges (the Existing Arrangements). The Existing Arrangements were incorporated in the Code in or around 2006 following the inclusion of Section 21A in the Gas (Interim) (Regulation) Act 2002. There have been substantial market developments since the development of the Existing Arrangements.

The SoLR arrangements recognise that a failed supplier may not necessarily be the Shipper, so the term SoLR Affected Shipper is used to refer to the Shipper to the Failed Supplier/SoLR Affected offtakes.

There were 2 SoLR events in 2022. These involved NDM portfolios only and were comparatively straight forward to operate.

There are approximately 320 DM and LDM customers on the GNI network. Pursuant to the Existing Arrangements DM and LDM customers can only change supplier on the 1<sup>st</sup> of a calendar month. To recognise that a SoLR event may include either a DM and/or LDM customer, GNI is proposing a number of changes to the Existing Arrangements that will:

- (a) take account of market developments;
- (b) simplify arrangements while utilising the existing IT systems with minimal changes to either bookings or invoicing; and
- (c) result in a more economic and efficient process.

The proposal is that the SoLR takes over the GTMS account of the failed supplier/SoLR Affected Shipper; at the end of the first month of the SoLR event GNI will apportion attributable charges between the failed supplier and the SoLR such that the SoLR is only liable for applicable charges with effect from the date on which the SoLR commences to act as SoLR in respect of the failed supplier.

In addition, there are now short-term capacity products available that were not contemplated when the Existing Arrangements were incorporated in the Code. GNI now proposes to allow the SoLR to retain the Exit Capacity Bookings of the failed supplier/SoLR Affected Shipper but also with the effect from the end of the last Day (commencing on the first Day) of any month during the SoLR Term to change the existing LDM Long Term Exit Capacity Bookings to Short Term Capacity Bookings.

The proposed revised arrangements also facilitate the change of supplier or end user assignment of any DM or LDM offtakes (as the case may be) during the SoLR Term and with effect from the first day of any month during the SoLR Term.

The Code Modification Proposal:

(a) takes account of market development including alternative Capacity products available to the SoLR; and

(b) Attempts to simplify the GTMS billing and Capacity booking arrangements,

while at the same time reducing the required systemisation and billing associated with the process

It is expected that the Modification should be effective from the end of the current gas year to be available from 1 October onwards.



---

**Supplier of Last Resort (SoLR) Procedures**

**Version 0.2**

**Draft for Consultation**

**31 July 2023**

---

**Contents:**

## Table of Contents

To be populated

<b>1. Revision History</b>		
<b>Version</b>	<b>Date</b>	<b>Revision Description</b>
0.1	18/04/2023	First draft for Industry Consultation
0.2	31/07/2023	Second draft following legal comments

# 1. Supplier of Last Resort (SoLR) Procedures

## 1.1 Background

The Gas (Interim) (Regulation) Act 2002 (as amended) section 21A obliges the Commission for Regulation of Utilities (CRU) to designate a licensed supplier to act as a Supplier of Last Resort (SoLR). The SoLR is obliged to supply gas to final customers in accordance with Section 21A.

The CRU has designated an SoLR; the Code of Operations was modified to inter alia incorporate provisions whereby the SoLR could:

- (a) access capacity to fulfil its obligations as SoLR; and
- (b) address other transportation related provisions necessary for the fulfilment of the obligations of SoLR.

The GNI Systems can accommodate up to three Failed Supplier flags (to identify NDM Supply Points at which the Failed Supplier was registered) at any one time.

## 1.2 Scope

The Code of Operations Part F Section 7 and Part F Appendix 1 detail the Supplier of Last Resort provisions.

The Code of Operations, Part A defines the SoLR Procedures as:

***“SoLR Procedures” shall mean the Procedures of that name published by the Transporter from time to time and approved by the Commission;***

These are the SoLR Procedures as referenced in the Code.

## 2.0 INTRODUCTION

### 2.1 General

#### Terminology:

The Code refers to “Supplier” of Last Resort rather than “Shipper” of Last Resort. The CRU has in accordance with its statutory obligations designated a licensed supplier to act as Supplier of Last Resort (SoLR). The 2002 Act allows the CRU to designate a Shipper of Last Resort however, this is not a mandatory obligation and a Shipper of Last Resort has not been so designated. However, as a failed supplier (Failed Supplier) may not necessarily have been the Shipper to a GPRN, the Code introduced the term **“SoLR Affected Shipper”** to identify the shipper who was registered shipper to the final customers of the Failed Supplier which the SoLR is obliged to supply.

Save where otherwise provided words and expressions defined in the Code shall have the same meaning in these Procedures.

### 2.2 Anticipation of a SoLR Event

#### **Where GNI is notified by CRU that CRU anticipates the issue of a Last Resort Supply Direction**

GNI engages with CRU, the SoLR, the potential SoLR Affected Shipper(s) (if any) and if possible the anticipated Failed Supplier to open communications and agree transfers / transfer date.

- Internal GNI team mobilised: Gas Point Registration Office / Information Technology (IUS, GasMaP & GTMS) / Trading & Settlements / Public Relations / GNI Mgt.
- GNI internal operations reports prepared in advance of SoLR transfer (see 3.1).

#### **Communication of a Proposed Last Resort Supply Direction**

##### **D-2:**

CRU/GNI/SoLR will engage informally in advance of any formal notifications. CRU/GNI/SoLR will form the basis of an ‘SoLR Co-ordination Group’ with prepayment system provider brought in as required.

There will be ongoing communication/checkpoints between CRU, GNI, SoLR Failed Supplier/SoLR Affected Shippers, as different parties with different roles work through the SoLR task, there will be a formal close off checkpoint which will include all of the participants at the end of the process.

CRU may instruct the Failed Supplier to notify their portfolio of customers before the Last Resort Supply Direction goes into effect.

#### **Last Resort Supply Direction**

CRU issues a “Last Resort Supply Direction” instruction to both the SoLR and GNI, specifying the Failed Supplier, a SoLR Term including the Last Resort Supply Direction Effective Date (D) and a SoLR Term End Day. The SoLR is responsible to act as such from 05:00 on D and for the SoLR Term.



**D+5:**

As soon as practicable following the notification of the issue of a Last Resort Supply Direction by CRU the SoLR shall send a communication to the SoLR customers using the customer details provided by the GPRO. This communication will inform the impacted customers that an Last Resort Supply Direction has issued and;

- of arrangements that the SoLR is putting in place to ensure continuous supply;
- the customer's tariff;
- terms and conditions;
- the customers options going forward;
- the duration of SoLR Term.

Communications will be co-ordinated between all parties of the SoLR Co-ordination Group to ensure consistency of messaging.

### 3.0 PROCESSES FOR DIFFERENT MARKET SEGMENTS

#### 3.1 Entry Capacity – All market sectors

- The SoLR Procedures do not provide for the transfer or allocation of Entry Capacity to the SoLR. The SoLR may choose to use the SoLR's existing Entry Capacity or may choose to make Short Term Entry Capacity Bookings and or trade at the IBP to service the SoLR Portfolio.
- The Last Resort Supply Direction does not impact the Entry Capacity Bookings of a SoLR Affected Shipper unless the SoLR Affected Shipper is also the Failed Supplier.
- Where the Failed Supplier is the SoLR Affected Shipper and the Last Resort Supply Direction Effective Date is the first Day of a calendar month then all Entry Capacity Bookings of the Failed Supplier/SoLR Affected Shipper shall automatically terminate on the Last Resort Supply Direction Effective Date.
- Where the Last Resort Supply Direction Effective Date is any Day other than the first Day of a calendar month then the Entry Capacity Bookings of the Failed Supplier/SoLR Affected Shipper shall terminate on the last Day of the calendar month in which the Last Resort Supply Direction Effective Date occurs; and
  - the Failed Supplier/SoLR Affected Shipper may engage with GNI with a view to effecting an Entry Capacity Trade with respect to any such Entry Capacity retained for the period up to the date on which Entry Capacity Booking(s) terminate; and
  - the SoLR shall not be entitled to avail of any such Entry Capacity retained by the Failed Supplier / SoLR Affected Shipper notwithstanding the SoLR's access to the Failed Supplier's SoLR Affected Shipper's GTMS account and any such retained Entry Capacity of the Failed Supplier/SoLR Affected Shipper shall be disregarded for the purpose of balancing the SoLR Portfolio.
  - termination of the Failed Supplier/SoLR Affected Shipper's Entry Capacity Bookings in accordance with this Procedure shall not affect the Failed Supplier/SoLR Affected Shipper's liability for applicable tariffs.
- GNI (Shipper Services) shall with effect from the last Resort Supply Effective Date restrict the Failed Suppliers/SoLR Affected Shippers users to write-access only to PRISMA and remove GTMS write-access to carry out actions at Entry Points (e.g. Bellanaboy) or at RNG Entry (if applicable) save where otherwise agreed by GNI.

#### 3.2 Non-Daily Metered (NDM)

##### D-1 (NDM):

- GNI (GPRO) runs a series of reports to identify the Failed Supplier portfolio, and to identify specific aspects of that portfolio, including the following;
  - open siteworks jobs;
  - locked meters;
  - Vulnerable & Priority Customers
  - PAYG sites

Where practicable GNI will share these reports with the SoLR.

- As part of GNI's internal IT processes around Change of Supplier, GNI (GPRO / IT) will run an exercise to amend business days so that any pending Change of Supplier (CoS) actions can action to allow those GPRNs that are leaving the failed supplier to finalise.
- GNI generates a Transfer CSV file and issues it to the SoLR.
- The SoLR uploads this data to their customer management system to create new customer records for the customers they will inherit from the Failed Supplier
- GNI adds a SoLR flag to each GPRN in the Failed Supplier portfolio on market systems.
- GNI issues M803N messages to the SoLR with meter read type "ZO" for each NDM SoLR GPRN.
  - Read will be based on a GNI system estimate in line with the FAR Procedures, and processed in late evening data processing run In line with the standard CoS process
- GNI issues M803N messages to the Failed Supplier with meter read type "ZC" for each NDM SoLR GPRN.
  - Read will be based on a GNI system estimate in line with the FAR Procedures, and processed in late evening data processing run In line with the standard CoS process
- The transfer of the Failed Supplier portfolio to the SoLR's Non-SoLR Portfolio takes place via overnight GasMaP market messaging.
- There is no operational difference between credit meter sites and PAYG site for the SoLR transfer exercise.
- The Failed Supplier/SoLR Affected Shipper should continue to submit Nominations for D – 1 until and including D-1. However if the Failed Supplier or the SoLR Affected Shipper (as the case may be) does not nominate, they will still be allocated for D-1 and will receive a Scheduling Charge and otherwise as per standard Code of Operations rules.

#### **Day D (NDM):**

- The SoLR is responsible for creating NDM Nomination for SoLR Affected NDM Supply Points within Day on D ; the nomination will be issued by the SoLR as a single combined aggregate nomination for the SoLR' Affected NDM Supply Points and the NDM Supply Points in the Non-SoLR Portfolio and shall be submitted as part of the Non-SoLR Portfolio (the combined portfolio).
- The NDM forecast that GNI issues to the SoLR in respect of the Non-SoLR Portfolio within D will include the SoLR Affected NDM Supply Points in the combined portfolio forecast (will not be in the D-1 forecast).
- GNI issues an e-mail (automated via GasMaP) to the SoLR each day for the SoLR Affected NDM Supply Points with the subset A & B factors for these NDM sites.
  - Can be used in conjunction with offline reckoner so that the SoLR can identify the SoLR subset of the NDM notice.

#### **D +1 (NDM):**

- NDM Allocation will take place as normal on D+1.
- GNI (GPRO) runs daily reports to identify locked sites / pending siteworks and shares with the SoLR.

- GNI (GPRO) produces Vulnerable and Priority SoLR customer reports and requests the SoLR to verify that the correct status is recorded.
- It is expected there will be a small number of customer issues identified as part of the transfer process. GNI (GPRO) and the SoLR will work to resolve these customer issues.

#### **End of Month (NDM):**

- GNI (Trading & Settlements) issues a monthly invoice back-up file to the SoLR, including an SoLR flag at GPRN level which the SoLR can use to identify and track SoLR sites.
- Standard Imbalance rules will apply to the SoLR's combined portfolio from Day D onwards.

#### **Other considerations:**

- Change of supplier is not permitted at any GPRN with an SoLR flag for SoLR Term or otherwise as directed by the CRU in the Last Resort Supply Direction.
- The SoLR flag will be removed at the end of the SoLR Term, the GPRN then becomes part of the main SoLR portfolio, and is again eligible the change supplier.

### **3.3 PAYG Metering**

#### **D-1 (PAYG):**

- In the event that an Failed Supplier is operating both Credit and PAYG, GPRO will identify the PAYG GPRNs
- GNI will contact Prepayment System Provider and Front Office Service Provider (e.g. Payzone) formally to inform them that there has been a Last Resort Supply Direction.

#### **Day D (PAYG):**

- Prepayment System Provider enables the customer to continue to vend on the assumption that the Prepayment System Provider is satisfied that all related processing costs will be covered by the SoLR
- Prepayment System Provider directs all future payments to the SoLR. This should occur once the Change of Supplier is processed and the portfolio of the Failed Supplier moves across to the SoLR..

#### **D+2 (PAYG):**

- SoLR should be entitled to new payments from PAYG vends post the CoS transfer. \*The file of vends will be sent from GNI to the SoLR.

#### **Ongoing (PAYG):**

- SoLR manages vends as per normal management of existing vends subject to confirmation by Front Office Service Provider.

### 3.4 Daily Metered (DM)

#### Daily Metered (D-1):

- CRU issues a “Last Resort Supply Direction” specifying D.
- The GTMS account of the Failed Supplier/SoLR Affected Shipper is transferred to the SoLR:
  - GNI (GTMS) end-dates the Failed Supplier/SoLR Affected Shipper GTMS account log-ins and write access on D-1; and
  - GNI (GTMS) issues SoLR with new user-IDs on GTMS account of the Failed Supplier/SoLR Affected Shipper, effective D.

The advantages of this approach include:

- No change of supplier actions required;
- SoLR can review nomination history at each GPRN; and
- Failed Supplier portfolio is easily identifiable to SoLR.
- GNI (GTMS) updates the SoLR details onto the Failed Supplier/SoLR Affected Shipper’s GTMS account.
  - Part F Appendix 1 S.●
  - The SoLR utilises the Failed Supplier’s/SoLR Affected Shipper’s existing Exit Capacity bookings.
- <sup>1</sup>Nominations for D-1 is the responsibility of SoLR Affected Shipper/Failed Supplier. If the SoLR Affected Shipper/Failed Supplier does not nominate they will still receive allocations for D-1 and receive scheduling charges and otherwise if the Failed Supplier/SoLR Affected Shipper fails to nominate, any associated Imbalance or Scheduling Charges will not be imposed on the SoLR.

#### Daily Metered (D):

- SoLR to create DM Nomination for SoLR DM portfolio within Day on D and thereafter for each Day of the SoLR Term.
- SoLR to liaise with each DM customer to identify their Nomination requirement.
- SoLR holds capacity at SoLR Affected DM Offtakes in accordance with the Code.

#### Daily Metered (D+1):

- DM Allocation notice will issue to the SoLR as per normal operation on D+1 and thereafter for each Day of the SoLR Term.

#### Daily Metered (End of Month):

- GNI issues a separate monthly invoice to SoLR in respect of the SoLR Portfolio.

- **Capacity & Commodity Invoicing** - For the month [in which the Last Resort Supply Direction takes effect], the SoLR receives an invoice with the full month's charges, but with an associated credit note to adjust for the period prior to the SoLR effective date.
  - GNI provides a breakdown of the DM Capacity (Exit and Supply Point (SPC) and Commodity charges between the pre and post commencement of the SoLR Term.
  - GNI issues an ad hoc credit note to the SoLR for DM Capacity (Exit and SPC) and Commodity charges relating to the period (# of days in month) up to the Last Resort Supply Direction Effective Date.
  - GNI issues an ad hoc invoice to the SoLR Affected Shipper/Failed Supplier for DM Capacity (Exit and SPC) and Commodity charges relating to the period (# of days in month) up to the commencement of the SoLR Term.
- **Disbursements Invoicing** - GNI issues a single monthly disbursements invoice for entire month to the SoLR:
  - GNI provides an **Ad Hoc Disbursements** invoice apportioned with a breakdown of the disbursements related charges between the pre and post SoLR Term.
  - GNI issues an ad hoc credit note issues to SoLR for disbursements related charges relating to the period (# of days in month) up to the commencement of the SoLR Term.
  - GNI issues ad hoc invoice to the Failed Supplier for disbursements related charges relating to the period (# of days in month) up to the commencement of the SoLR Term.
- **Change of Supplier at Month End** - At the end of any calendar month during the SoLR term, DM Offtakes will be allowed to transfer out of the SoLR Portfolio via a Change of Supplier action, either to a new Supplier or to the SoLR's Non-SoLR Portfolio.
- **Change of Supplier at End of SoLR term** - At the end of the SoLR Term, all DM sites are to be transferred out of the Failed Supplier's/SoLR Affected Shipper's GTMS account via a Change of Supplier action, either to a new Supplier or to the main GTMS account of the SoLR (the Non-SoLR Portfolio).

#### Other details

- Pursuant to the Code DM Offtakes are only permitted to CoS on the 1<sup>st</sup> of a month and this shall apply during the SoLR Term however, in accordance with CRU instruction the standard 10-business days advance notice will not apply to SoLR DM Offtakes during the SoLR Term.

### 3.5 Large Daily Metered (LDM)

#### Large Daily Metered (D-1):

- CRU issues a "Last Resort Supply Direction" specifying D.
- The GTMS account of the Failed Supplier/SoLR Affected Shipper] is transferred to the SoLR:
  - GNI (GTMS) end-dates the Failed Supplier/SoLR Affected Shipper GTMS account log-ins and write access on D-1; and
  - GNI (GTMS) issues SoLR with new user-IDs on GTMS account of the Failed Supplier/SoLR Affected Shipper, effective D.

The advantages of this approach include:

- No End User Assignment (effectively a change of supplier for an LDM site) exercise required;
- SoLR can review nomination history at each GPRN; and
- Failed Supplier portfolio is easily identifiable to SoLR.
- GNI (GTMS) updates the SoLR details onto the [Failed Supplier's?] GTMS account.
  - [Refer to Code Section Liabilities app 1 part F S.8]
- Exit Capacity:
  - The SoLR utilises the SoLR Affected Shipper's existing Exit Capacity bookings..
  - The SoLR has the ability to make alternative Exit Capacity booking arrangements from the 1<sup>st</sup> day of the month following the SoLR event i.e. option to a) retain the existing booking; or b) close existing booking and make a new capacity booking from the available Exit Capacity products
  - Where existing Long Term Exit Capacity (originally booked by the SoLR Affected Shipper ) is utilised by the SoLR, the SoLR will be charged at the daily equivalent of the annual tariff for Long Term Exit Capacity and invoiced monthly.
    - Reference Code of Operations Part F, 4.1.2i
- Nominations for D-1 is the responsibility of the SoLR Affected Shipper. However, if the SoLR Affected Shipper fails to do so it will still receive allocations for D-1 and any associated Imbalance or Scheduling Charges will be for the account of the SoLR Affected Shipper and will not be imposed on the SoLR.

#### **Large Daily Metered (D):**

- SoLR creates the LDM Nomination for each LDM Offtake in the SoLR Portfolio within Day on D.
- SoLR liaises with each LDM customer to identify their Nomination requirement.

#### **Large Daily Metered (D+1):**

- LDM Allocation notice will issue to the SoLR as per normal operation on D+1.

#### **Large Daily Metered (End of Month):**

- GNI issues a separate monthly invoice to SoLR in respect of the SoLR Portfolio.
- **Capacity & Commodity Invoicing** - For the month in which the SoLR Term commences the SoLR receives an invoice with the full month's charges, but with an associated credit note for the period prior to the commencement of the SoLR.
  - GNI provides a breakdown of the Capacity and Commodity charges between the pre and post SoLR Term.
  - GNI issues an ad hoc credit note to the SoLR for LDM Exit Capacity and LDM Supply Point Capacity (where applicable) and Commodity charges relating to the period (# of days in month) up to the commencement of the SoLR Term.

- GNI issues an ad hoc invoice to the Failed Supplier/SoLR Affected Shipper for LDM Exit Capacity and LDM Supply Point Capacity (where applicable) and Commodity charges relating to the period (# of days in month) up to the commencement of the SoLR Term.
- **Disbursements Invoicing** - GNI issues a single monthly disbursements invoice for entire month to the SoLR:
  - GNI provides an **Ad Hoc Disbursements** invoice apportioned with a breakdown of the disbursements related charges between the pre and post SoLR Term.
  - GNI issues an ad hoc credit note issues to SoLR for disbursements related charges relating to the period (# of days in month) up to the commencement of the SoLR Term.
  - GNI issues ad hoc invoice to the Failed Supplier for disbursements related charges relating to the period (# of days in month) up to the commencement of the SoLR Term.
- **End-User Assignment at Month End** - At the end of any calendar month during the SoLR term, LDM sites will be allowed to transfer out of the Failed Supplier's SoLR Affected Shippers GTMS account via an End-User Assignment, either to a new Supplier or to the main GTMS account of the SoLR.
- **End-User Assignment at End of SoLR term** - At the end of the SoLR term, all LDM sites are to be transferred out of the [SoLR Affected Shipper's/Failed Supplier/SoLR GTMS account via an End User Assignment action, either to a new Supplier or to the main GTMS account of the SoLR.
- For LDM sites the Change of Supplier action is called an "End User Assignment", EUA's can only take place on the 1<sup>st</sup> of a month, the standard 10-business days advance notice for EUA will not apply to SoLR LDM sites, including if changing supply from the SoLR.



#### 4.0 Miscellaneous

**Balancing:** The SoLR is responsible for balancing of the SoLR Portfolio.

**Financial Security:** There is no requirement for Financial Security to be put in place by the SoLR Supplier for the portfolio of the Failed Supplier for the duration of the SoLR Term.

The SoLR process only applies to Failed Suppliers to Exit Points, for those Suppliers who trade gas to the **Irish Balancing Point** only there is no replacement SoLR service.

The SoLR shall use the new user ID's on the GTMS account of the Failed Supplier (SoLR Affected Shipper) for all activities in respect of the SoLR Portfolio (including any required Entry Capacity Bookings or IBP Trades). For the avoidance of doubt SoLR shall not use the new users ID on the GTMS Account of the Failed Supplier (SoLR Affected Shipper) for any other activities including the combined portfolio, or the Non-SoLR Portfolio nor shall the SoLR avail of the Failed Supplier's/SoLR Affected Shipper's residual Entry Capacity save where otherwise agreed with the Failed Supplier and GNI and subject to such agreement on such terms as shall be prescribed by GNI.

**Appendix 1 – high-level GNI/CRU/Failed Supplier/SoLR roles around for NDM**

<b>NDM</b>	<b>GNI</b>	<b>CRU</b>	<b>Failed Supplier</b>	<b>SoLR</b>
<b>D-1</b>	<p>Issues NDM customer database file to the SoLR.</p> <p>Informs Siemens and Payzone of SoLR event.</p> <p>Effects overnight transfer of failed Supplier database on IUS.</p> <p>Provide indicative NDM Nom value for failed Supplier for D.</p>	<p>D-1 [or earlier]</p> <p>Issues SoLR instruction with D specified</p>	<p>Nominates NDM portfolio to GNI up as far as D-1.</p> <p>Notify customers of Failed Supplier of SoLR event where so instructed by CRU.</p>	<p>Accepts and uploads NDM customer database file to the SoLR's systems.</p> <p>Receives overnight market messages with failed Supplier database.</p>
<b>D</b>	<p>Issue D-1 Allocations.</p> <p>NDM customer transfer live on GNI's systems.</p> <p>Issue combined SoLR portfolio NDM advice notice both within D &amp; D+1.</p> <p>Provide breakdown of NDM A/B factors by legacy and SoLR portfolios.</p>		<p>Receives the D-1 Allocation.</p> <p>End.</p>	<p>SoLR NDM customer live on the SoLR's systems.</p> <p>Nominate within Day for entire portfolio.</p> <p>Use reckoner to track kWh for legacy/SoLR NDM groups.</p>
<b>D+1</b>	<p>Issue NDM Allocations for D.</p> <p>Data review/clean-up as required.</p>			<p>Receives the D NDM Allocation for combined portfolio.</p> <p>Data review/clean-up as required.</p>

**Appendix 2 – high-level GNI/CRU/Failed Supplier/SoLR roles around for DM**

<b>DM</b>	<b>GNI</b>	<b>CRU</b>	<b>Failed Supplier</b>	<b>SoLR</b>
<b>D-1</b>	Restrict Failed Supplier GTMS log-ins.  Issue new log-in details for the SoLR onto failed Supplier GTMS account.	D-1 [or earlier] Issues SoLR instruction with D specified	Nominates for DM portfolio to GNI up as far as D-1	Receive new log-in details for failed Supplier GTMS account.  Research Nom history for failed Supplier portfolio.
<b>D</b>	Issue DM Allocations to Failed Supplier for D -1 (to GTMS account).		Receives DM Allocations for D -1 to GTMS (Read only access). Notify customers of Failed Supplier of SoLR event where so instructed by CRU.	Log into GTMS.  Nominates for SoLR DM portfolio to GNI for both D/D+1 , on the failed Supplier GTMS account.
<b>D+1</b>	Issue DM Allocations to the SoLR for D.			Receive DM Allocations for D.

**Appendix 3 – high-level GNI/CRU/Failed Supplier/SoLR roles around for LDM**

<b>LDM</b>	<b>GNI</b>	<b>CRU</b>	<b>Failed Supplier</b>	<b>SoLR</b>
<b>D-1</b>	Restrict Failed Supplier GTMS log-ins.  Issue new log-in details for the SoLR onto failed Supplier GTMS account.	D-1 [or earlier] Issues SoLR instruction with D specified	Nominates for each LDM site to GNI up as far as D-1. Notify customers of Failed Supplier of SoLR event where so instructed by CRU.	Receive new log-in details for failed Supplier GTMS account.  Research Nom history for each failed Supplier LDM site.
<b>D</b>	Issue LDM site Allocations to Failed Supplier for D -1 (to GTMS account).		Receives LDM site Allocations for D -1 to GTMS (Read only access).	Logs into GTMS. Nominates for each LDM site to GNI for D & D+1.
<b>D+1</b>	Issue LDM Allocations for D (via GTMS).			Receive LDM Allocations for D (via GTMS).

## Appendix 4(a) –Glossary of Terms

**Note: Terms used in these Procedures shall have the same meaning as is given to them in the Code of Operations save where otherwise specified.**

**Note: The relevant Code definitions in Part A of the Code and in Part F Appendix 1 are set out in Appendix 4b.**

"**Code of Operations**" or "Code" means this code of practice for the operation of the Transportation system (as amended, modified or revised) which governs certain aspects of the relationship between the Transporter and the Shippers on the Transportation System;

"**CRU**" or "**Commission for Regulation of Utilities**" or "**Commission**" shall mean the body established pursuant to Section 8 of the Electricity Act as renamed pursuant to the Energy Act 2016 and S.I. 397 of 2017;

**GNI** means Gas Networks Ireland acting in its capacity as licensee under the Transmission System Owner Licence including as counterparty to the Operating Agreement and its permitted successors and/or assigns;

## Appendix 4 – Code of Operations Part F Appendix 1 definitions

### DEFINITIONS

#### Part F Appendix 1

“**Failed Supplier**” shall have the meaning in the Code.

“**Last Resort Supply Direction**” shall have the meaning in the Code.

“**Last Resort Supply Direction Effective Date**” shall mean the Day specified by the Commission in a Last Resort Supply Direction as the Day on and with effect from which the SoLR shall fulfil the function of Supplier of Last Resort with respect to End Users at Offtake Points referenced in the direction.

“**Non-SoLR Portfolio**” shall mean in respect of the Shipper which is the SoLR all capacity bookings of such Shipper other than capacity bookings in respect of (i) SoLR Affected DM Offtakes and SoLR Affected LDM Offtakes; and (ii) Entry Capacity Bookings made by the SoLR in its capacity as such.

“**SoLR Affected Offtakes**” shall mean those Offtake Points referenced in the Last Resort Supply Direction at which the Failed Supplier is recorded as Supplier to the End User.

“**SoLR Affected Shipper**” shall mean the Shipper(s) which is the Registered Shipper at an Offtake Point(s) at which a Failed Supplier is recorded by the GPRO as the Supplier to the End User. A SoLR Affected Shipper may be one and the same as the Failed Supplier.

“**SoLR Capacity Charges**” shall have the meaning in this Part F Appendix 1 Section 4.1.3;

“**SoLR Exit Capacity Request**” shall have the meaning in this Part F Appendix 1 Section 3.3.4;

“**SoLR Portfolio**” means all SoLR Affected Offtakes referenced in the Last Resort Supply Direction (but excluding SoLR Affected NDM Offtakes) and all Entry Capacity Bookings made by the SoLR in its capacity as such.

“**SoLR Procedures**” shall have the meaning in the Code

“**SoLR Term**” shall mean the period commencing on the Last Resort Supply Direction Effective Date, in respect of which the SoLR is to fulfil the function of supply of Natural Gas to End Users of a Failed Supplier as specified in the Last Resort Supply Direction and ending on the SoLR Term End Day.

“**SoLR Term End Day**” means the Day specified as such in the Last Resort Supply Direction;

“**SoLR Notice**” means a notification issued by the SoLR to relevant End Users notifying them that a Last Resort Supply Direction has been issued in respect of such End User’s Supplier.

“**Supplier**” shall have the meaning in the Code.

“**Supplier of Last Resort**” or “**SoLR**” shall have the meaning in the Code

**Defined Terms in Appendix 1 Part F which are defined by reference to the Code.**

**Code Definitions Part A**

**“Failed Supplier”** shall mean a Supplier identified by the Commission as such in a Last Resort Supply Direction. For the avoidance of doubt the Supplier so identified may be a Shipper.

**“SoLR Procedures”** shall mean the Procedures of that name published by the Transporter from time to time and approved by the Commission;

**“Supplier”** shall mean the holder of a Licence with respect to the supply of Natural Gas, issued by the Commission pursuant to the provisions of Section 16 of the Act;

**“Supplier of Last Resort”** or **“SoLR”** shall mean a Supplier (which shall also be a Shipper) so appointed from time to time by the Commission pursuant to Section 21A of the Gas (Interim) (Regulation) Act 2002.

DRAFT