



TSO Industry Update Code Progress

10th March 2015

Presentation Structure

- Entry Capacity Transition
- PRISMA
- Gas Day
- Common Units
- Nominations and Allocations
- Aligne
- Upcoming Consultations

Entry Capacity Transition

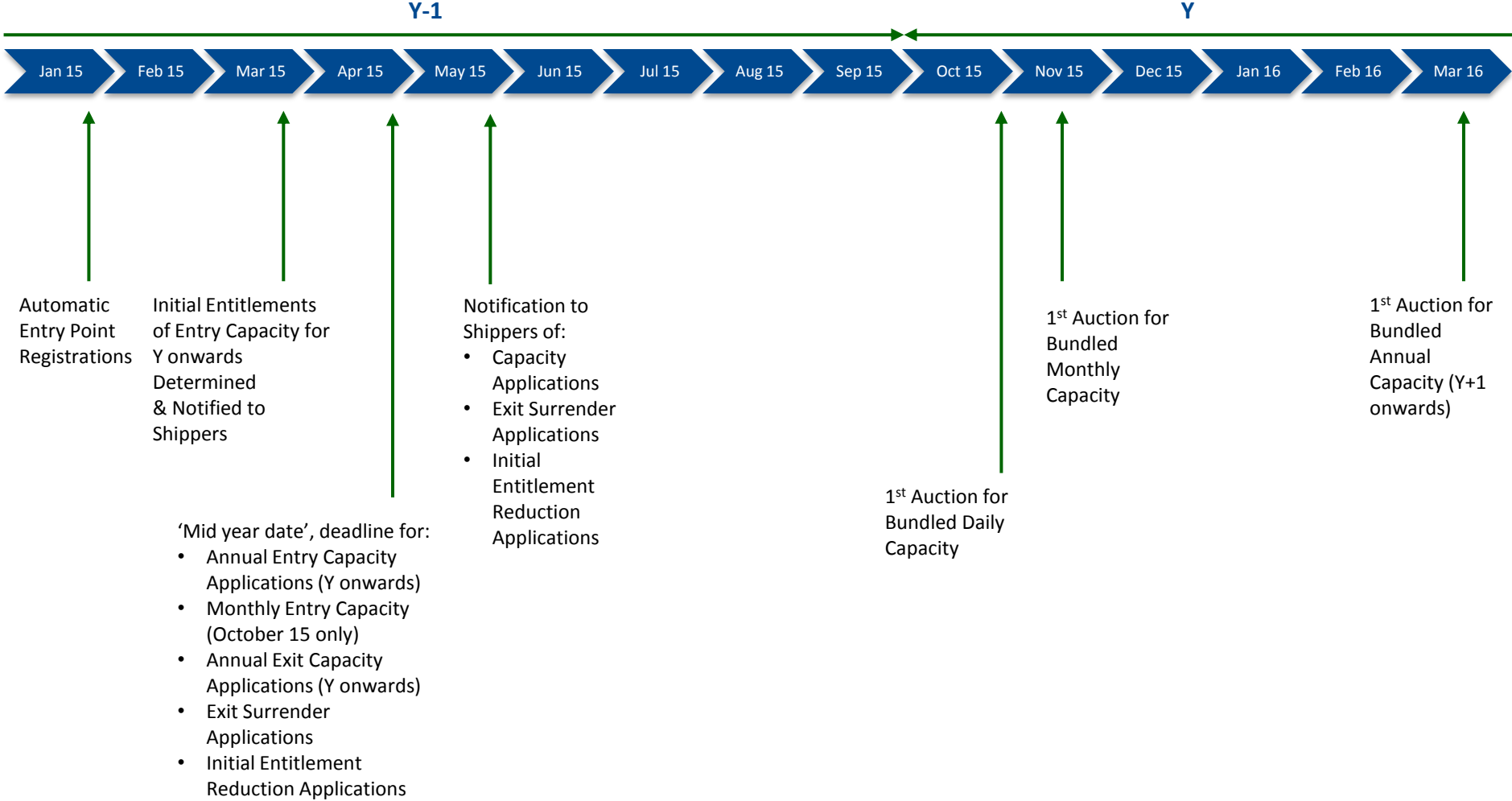
Entry Capacity Transition

- The following Code modifications have been approved:
 - PTL Code Modification 27
 - BGTL Code Modification 11
 - BGE(NI) Code Modification 13
- In line with these modifications, all Shippers have been automatically registered at The Moffat Entry Point
 - Shippers who wish to use the South North Entry Point will be required to register at the point with BGE(NI)
 - New Shippers will register at the Entry Points as part of the Accession process
- All Shippers will have received details of their Initial Entitlements for October 15 onwards
- In addition, Shippers have been provided with proformas to facilitate:
 - Application for additional Entry Capacity (October 15 and future Gas Years)
 - Application to reduce Initial Entitlements (October 15 and future Gas Years)
 - Application to surrender Firm Capacity

Entry Capacity Transition – Applications and Reductions

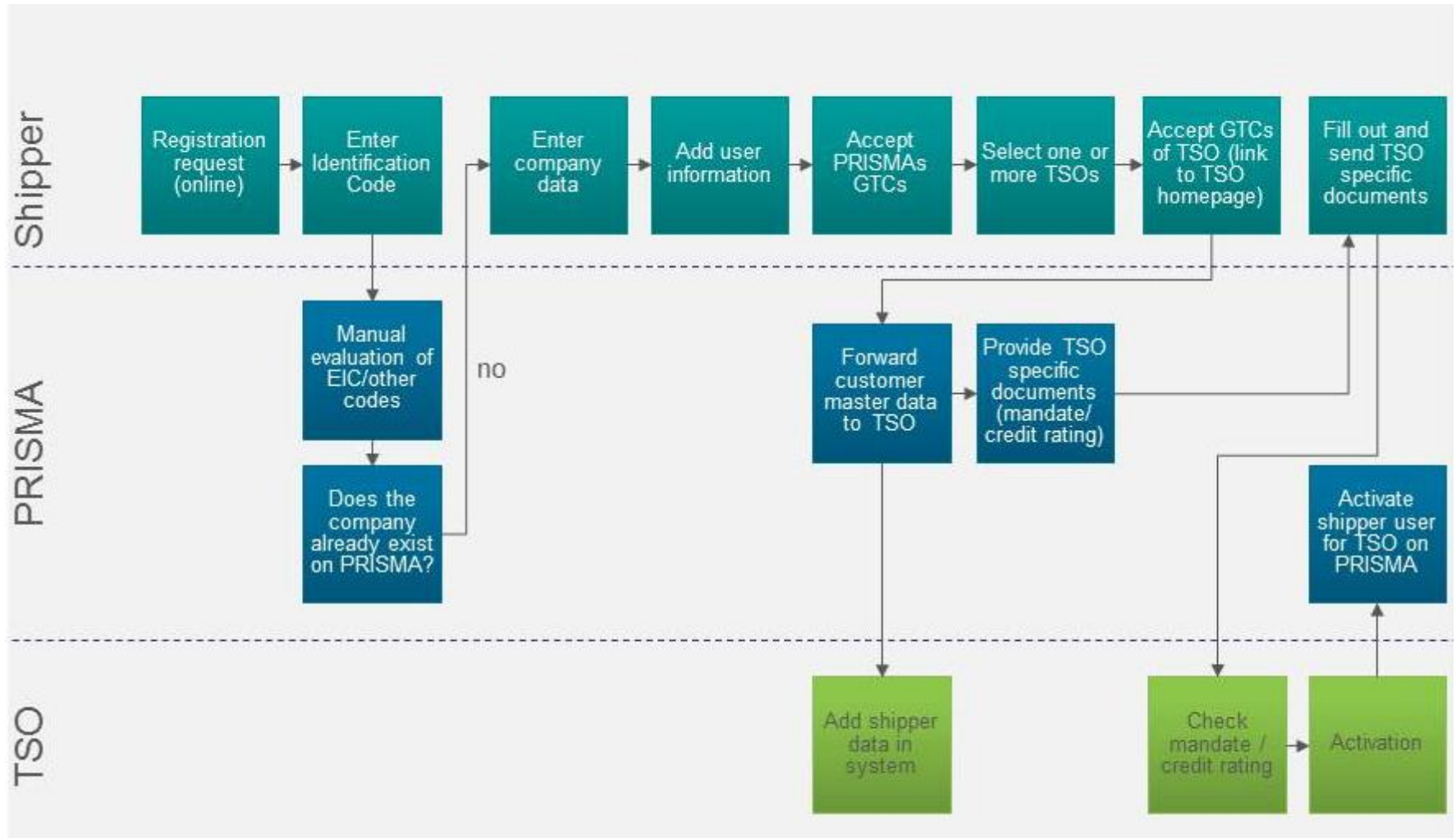
- Applications for Entry Capacity for future Gas Years by 30th April 2015
 - Also for month of October 2015 only, if required
- No TSO obligation on the Shippers to book additional Entry Capacity
- Shipper's can apply to reduce part of or all of their Entry Capacity Initial Entitlement
 - by 30th April 2015
- This capacity shall be allocated prior to allocating unsold capacity
- Where it is not possible to allocate the total amount of all such reduction applications, reduction applications shall be accepted in part in unless a Shipper has indicated that it is not willing to reduce part of the amount of its application
- TSOs shall notify Shippers of their allocation of Entry Capacity and if applicable, acceptance of a reduction application, by 31st May 2015

Timeline



PRISMA

PRISMA Registration Process



PRISMA Registration Process

- In the recently published CAM and Changes for Entry-Exit modifications the TSOs asked Shippers for the following by 8th May 2015:
 - Confirm that they has entered into the relevant agreement with the Capacity Platform Operator for the use of the Capacity Platform
 - Confirm whether or not the Shipper wishes to utilise the IP Entry Point, the VRF IP Exit Point, or both
 - Provide details of Authorised Persons
 - Provide the EIC of the Shipper
- The TSOs have recently been made aware that Shippers cannot register with the TSOs on PRISMA until development of the TSO backend systems have reached a particular stage
- The TSOs are working with PRISMA to facilitate a workaround to ensure Shippers can register as soon as possible

Gas Day

Gas Day

- The Gas Day is required to change to 05:00-05:00 to achieve compliance with the CAM code
- The 3 TSOs have published proposed modifications to reflect the change in Gas Day
- TSO proposals:
 - Gas Flow Day 30th September 2015 shall commence at 06:00 on 30th September 2015 and end at 05:00 on 1st October 2015.
 - Gas Flow Day 1st October 2015 shall commence at 05:00 on 1st October 2015
- In January / February ACER held a Public Consultation on the Oil & Gas UK proposal to amend the CAM and Balancing in order to retain the UK Gas Day
- The NI, GB and ROI TSOs are planning to proceed with implementation of the change

Common Units

EU Interoperability Code: Common Units - Reference Conditions

- Measurement of a quantity of gas is sensitive to several factors, one of which is temperature
- In order to derive consistency, measurements are 'corrected' to constant reference temperatures for volume and for calorific value in order to derive an energy measurement
- Reference temperatures vary across EU member states, for example the majority of Western Europe correct to 0°C for volume and 25°C for CV, whereas NI and ROI/GB operate to 15°C for volume and 15°C for CV
- Interoperability Code text :
 - Article 13: “Each TSO shall use the common set of units defined in this Article for any data exchange and data publication related to Regulation (EC) No 715/2009”
 - “Reference conditions for volume shall be 0°C, For GCV, energy and Wobbe-Index the default combustion reference temperature shall be 25°C”
- This would mandate the use of 0/25 reference conditions at Moffat for:
 - Capacity offered / booked on PRISMA
 - Nomination process at IPs
 - Transparency information
 - Gas quality data publication

EU Interoperability Code: Common Units - Reference Conditions

- The TSOs consider that:
 - There is no ‘interoperability issue’ to resolve at Moffat in respect of reference conditions
 - Compliance would deliver costs without benefits:
 - Systems changes would be needed to apply conversions only for the adjacent TSO to convert back
 - Potential confusion for Shippers
- Based on this, the relevant TSOs, NRAs and Departments successfully lobbied for a change in the text of the Interoperability Code

EU Interoperability Code: Common Units - Reference Conditions

- Interoperability Code: Article 13(3):
In cases where one Member State is connected to only one other Member State, the adjacent transmission system operators and the parties they communicate with may agree to continue to use other reference conditions [than 0/25] for data exchange in connection with Regulation (EC) No 715/2009, subject to the approval of their national regulatory authorities
- PTL, Gaslink and National Grid propose to submit a joint letter to their respective regulators seeking approval to continue to use 15/15 reference temperatures in respect of the Moffat IP
- Before submitting this letter, each TSO will seek agreement from its Shippers at an industry meeting
- PTL seeks such agreement from NI Shippers at today's meeting
- Shippers also have an opportunity to respond in writing by 25th March 2015

Nominations and Allocations

Moffat Agent Transition

- PTL is currently party to the Moffat Agency Agreement in order to Match NI Shipper's Nominations and provide NI Shippers with Entry Allocations
- Moffat Agent services will no longer be required for matching Nominations or providing Allocations
- Nominations:
 - Moffat Agent will match nominations up until (and including) Gas Day 30th September
 - Last matching run by MA will be at 01:00 on 1st October (i.e. latest renominations for the Gas Day 30th Sept)
 - TSOs will commence processing nominations at 13:00 on 30th September
 - i.e. D-1 Nominations for Gas Day 1st October
- Matching Roles:
 - PTL will be responsible for matching NG and PTL Shipper nominations which relate to the Moffat IP
 - GNI will be responsible for matching GNI and BGE(NI) Shipper nominations which relate to the South North IP

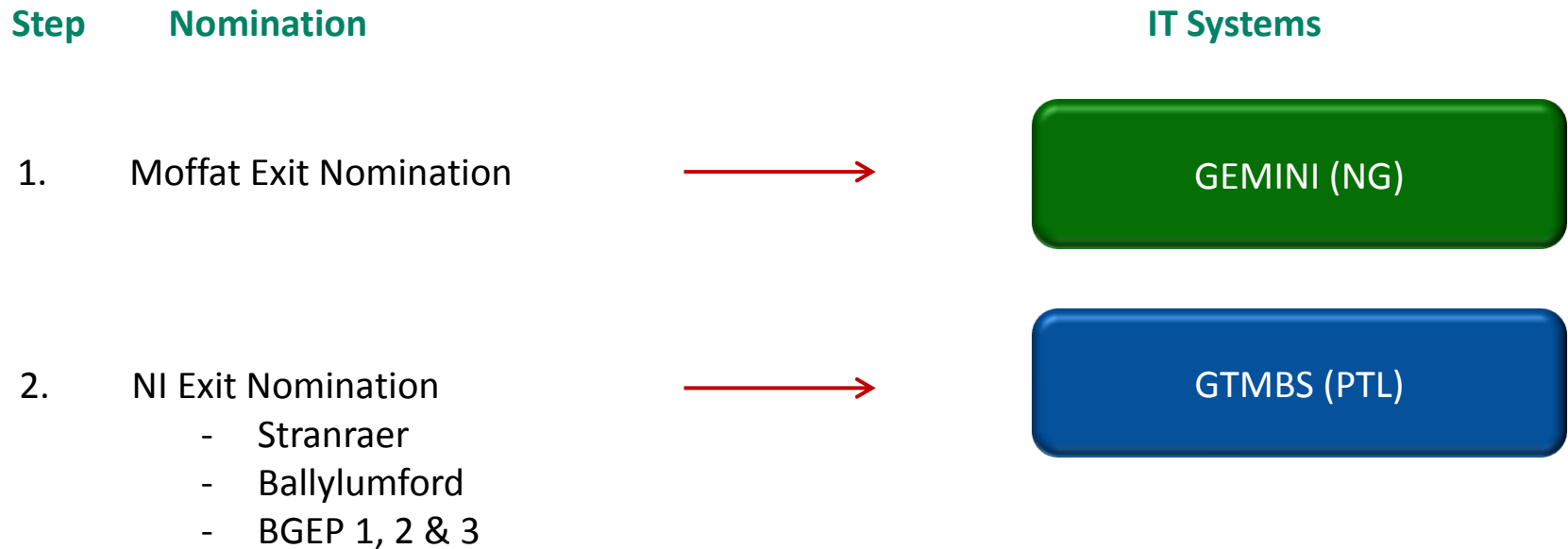
Moffat Agent Transition

- Allocations:
 - Moffat Agent will perform Allocations up until (and including) Gas Day 30th September
 - Allocations 'Close-out' under the MAA rules runs to D+5
 - Shippers can submit change requests and MAA can perform reallocation up to close-out
 - Close-out (for Gas Day September 30th) will be at 16:00 on 5th October
 - TSOs will perform allocations for Gas Day October 1st and thereafter
 - Allocating whole, in line with the OBA
 - OBA to commence allocating steering difference to OBA account for Gas Day commencing 05:00 on 1st October
 - 'Overlap' between 1st October and 5th October
 - MAA still finishing Gas Days to end September whilst TSOs are allocating for Gas Days post 1st October

Nominations

- Nominations Proposed Code Modifications are scheduled to be published in March 2015
- The modifications outline the new rules, particularly for IP nominations
- Prior to the introduction of a Single System Operator, the TSOs are endeavouring to minimise changes to the current process
- Shippers who ship to the BGE(NI) network via the PTL network shall be required to nominate on both TSO systems
- It is envisaged that this requirement will disappear when a single IT system is implemented
- It is proposed that Shippers who wish to trade on the NIBP shall do so using the PTL Aligne system, therefore Shippers must be party to the PTL Transportation Code

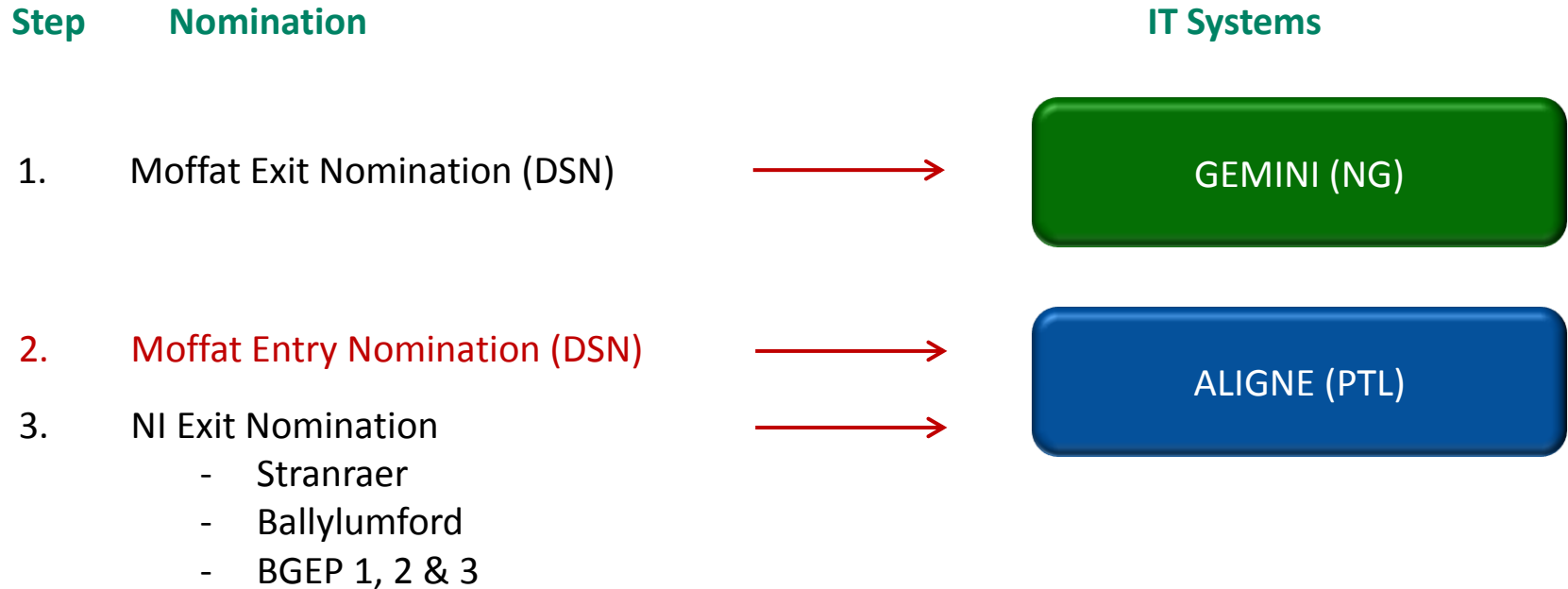
Nominations Example 1: Current High Level Process



Scenario:

- Shipping from Moffat to a PTL Exit Point
- Moffat Agency steps excluded

Nominations Example 2: New High Level Process



Scenario:

- Shipping from Moffat to a PTL Exit Point
- Double sided nominations at Moffat

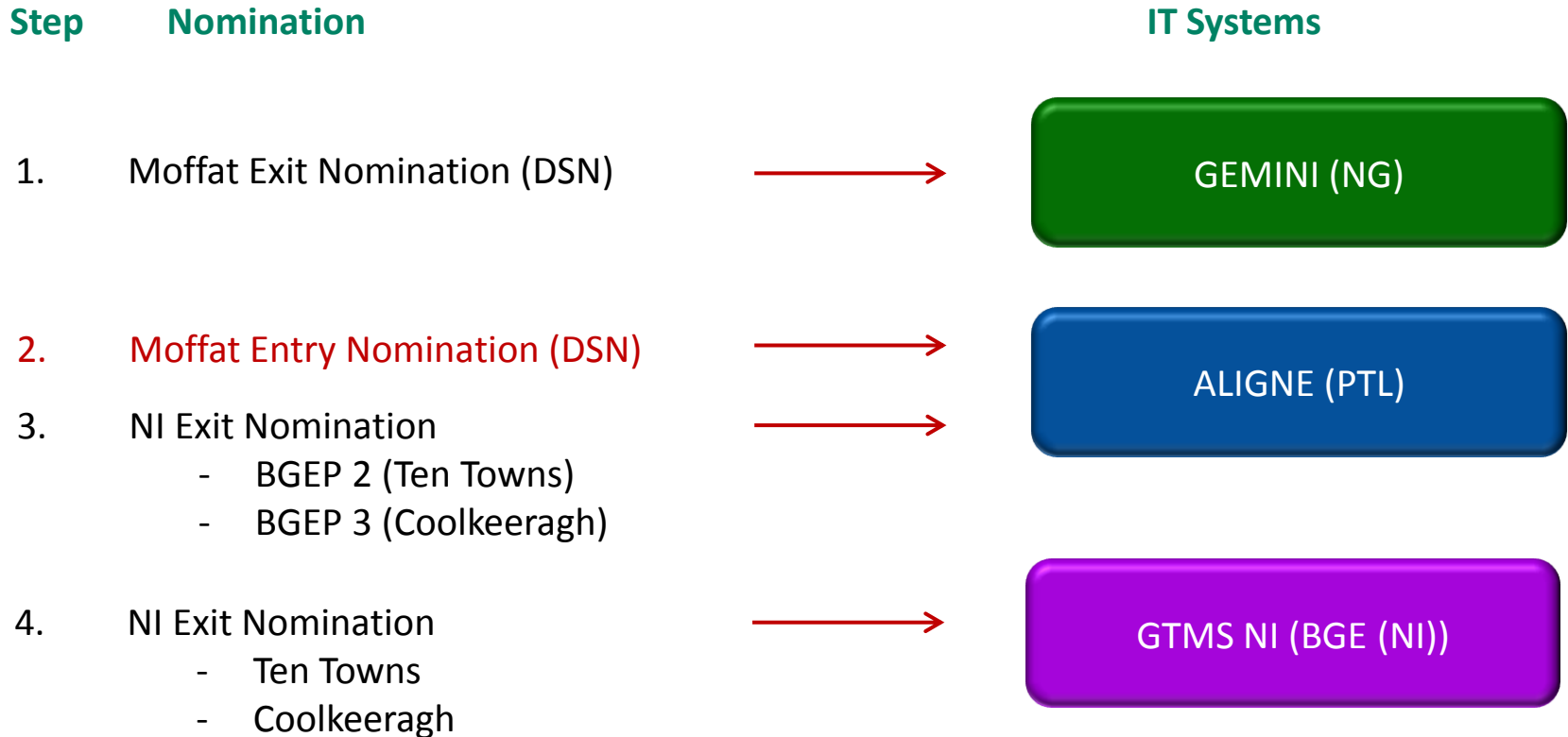
Nominations Example 3: Current High Level Process



Scenario:

- Shipping from Moffat to a BGE(NI) Exit Point
- Moffat Agency steps excluded

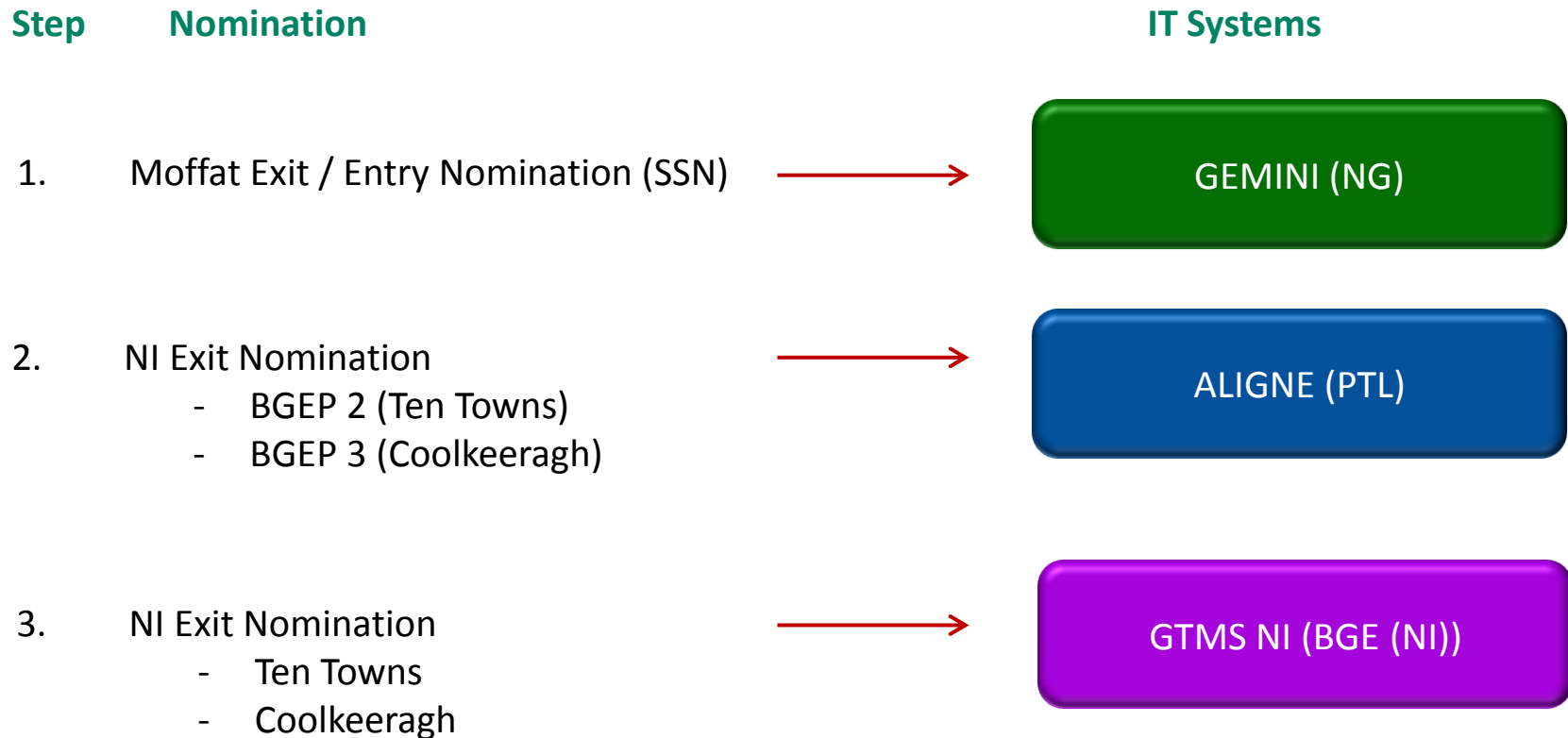
Nominations Example 4: New High Level Process



Scenario:

- Shipping from Moffat to a BGE(NI) Exit Point
- Double sided nominations at Moffat

Nominations Example 5: Single Sided Nomination



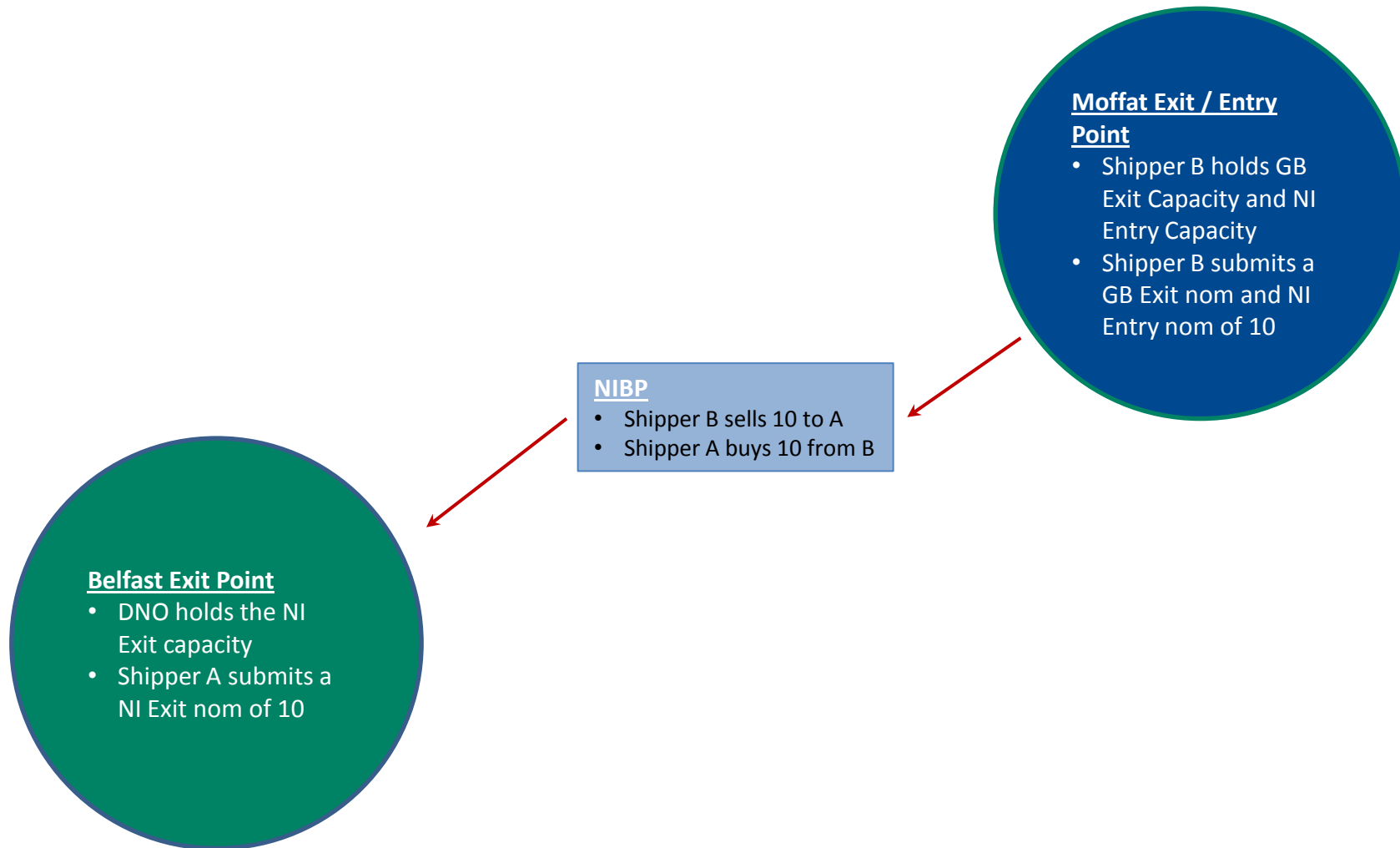
Scenario:

- Shipping from Moffat to a BGE(NI) Exit Point
- Single sided nomination at Moffat

The Northern Irish Balancing Point

- Shippers will be able to make trade nominations to each other on the Aligned system (subject to final agreement)
- Within the NI Network, i.e. 'At the NI Balancing Point'
 - In EU terms, the NIBP is a virtual trading 'hub'
- Trades specify quantities to be traded in respect of a Gas Day
- The trading parties need to submit matching and opposite Trades for them to be accepted
- Trades need to be submitted before or within day (not after the day)

Trade Nominations – Example 1



Trade Nominations – Example 1: IT Systems

Shipper A

IT Systems

Shipper B



← 1. Moffat Exit / Entry Nomination (SSN)



3. Trade Buy Nomination →
4. NI Exit Nomination →
- BGEP 1 (Greater Belfast)

← 2. Trade Sell Nomination

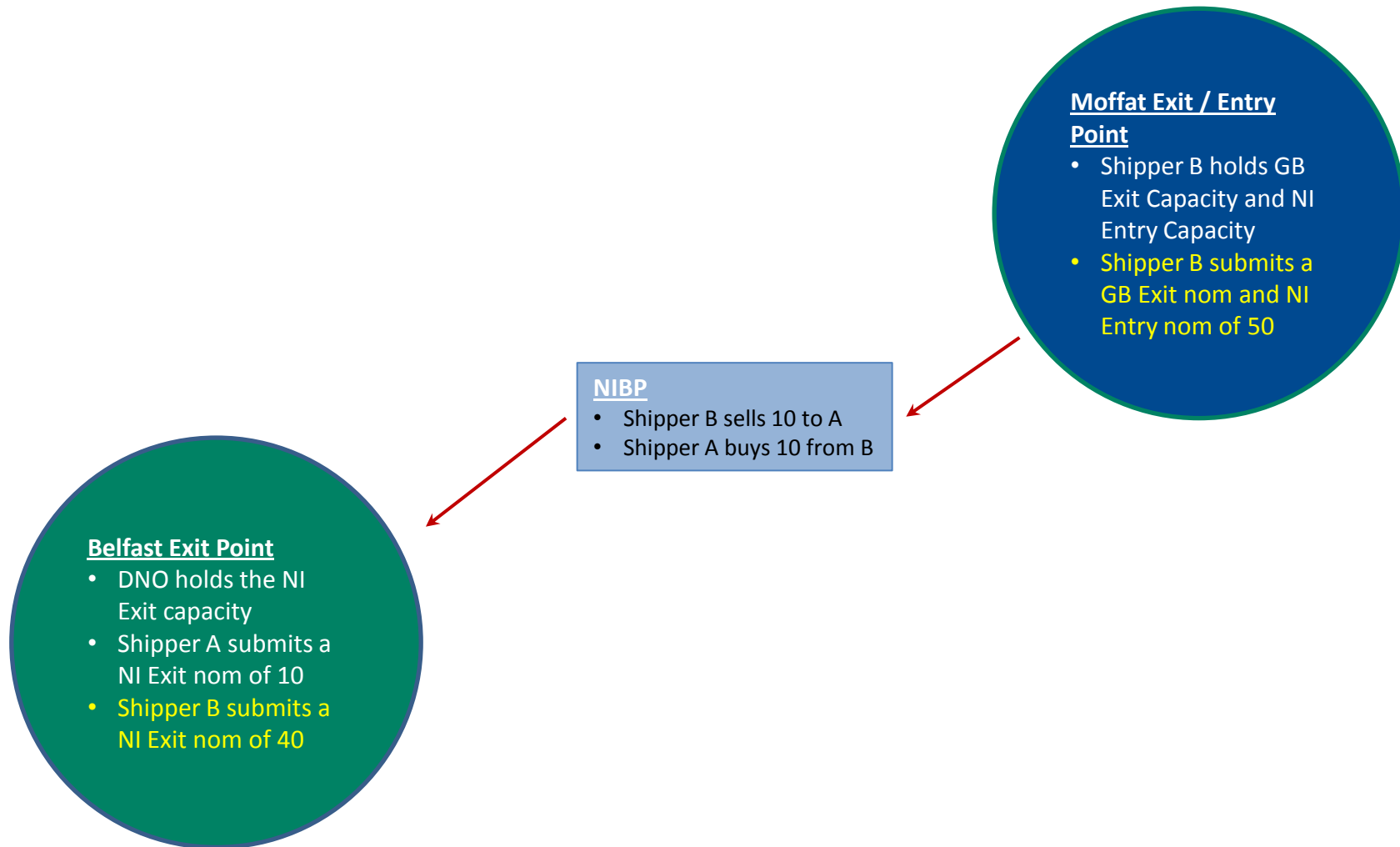
Trade Nominations – Example 1: Allocations

Entry Allocations	Shipper A	Shipper B
Σ Final IP Entry Allocations _D	0	10
Σ Trade Buy Allocations _D	10	0
Aggregate NI Entry Allocation_D	10	10

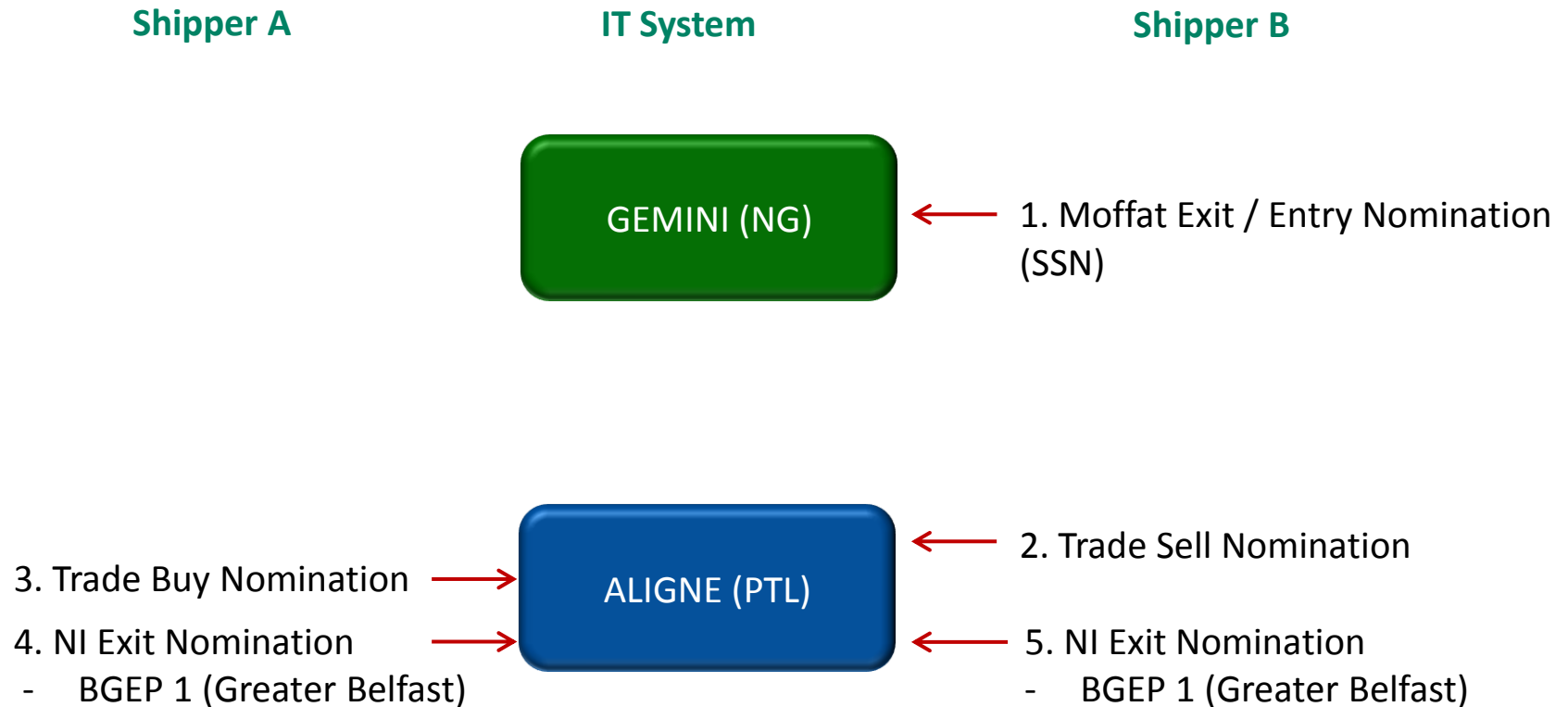
Exit Allocations	Shipper A	Shipper B
Σ Final Exit Allocations _D	9	0
Σ Trade Sell Allocations _D	0	10
Σ Final VRF Exit Allocations _D	0	0
Aggregate NI Exit Allocation_D	9	10

Imbalance Position	Shipper A	Shipper B
Aggregate Imbalance Position_D	1	0

Trade Nominations – Example 2



Trade Nominations – Example 2: IT Systems



Trade Nominations – Example 2: Allocations

Entry Allocations	Shipper A	Shipper B
Σ Final IP Entry Allocations _D	0	50
Σ Trade Buy Allocations _D	10	0
Aggregate NI Entry Allocation_D	10	50

Exit Allocations	Shipper A	Shipper B
Σ Final Exit Allocations _D	9	38
Σ Trade Sell Allocations _D	0	10
Σ Final VRF Exit Allocations _D	0	0
Aggregate NI Exit Allocation_D	9	48

Imbalance Position	Shipper A	Shipper B
Aggregate Imbalance Position_D	1	2

Aligne

Aligne

- PTL are planning to migrate from current SunGard Gas Transmission, Management and Billing System (GTMBS) onto the latest Aligne PipeOps platform
- Phase 1 (April 2015):
 - Migration of the current PTL processes on GTMBS onto the Aligne PipeOps platform on a like-for-like basis with as many current off-model processes brought onto the base platform as is practicable
 - Following the introduction session in January, two training sessions (classroom and web conference) organised:
 - Wednesday 25th March 10am-12pm
 - Friday 27th March 10am-12pm
 - PTL will be publishing a Code Modification to reflect:
 - The change in name from GTMBS to Aligne
 - The change in units: kWh instead of MWh
- Phase 2 (September 2015):
 - Extending the configuration of the Aligne PipeOps solution to satisfy the requirements of changes to the NI gas network arrangements being introduced in October 2015

Upcoming Consultations

Upcoming Consultations

Consultations	March 15	April 15	May 15	June 15	July 15	August 15	September 15
Nominations Code Modification		█					
Allocations Code Modification		█					
Invoicing and Credit Rules Business Rules		█					
Balancing Tolerances Business Rules			█				
CMP Business Rules			█				
Invoicing and Credit Rules Code Modification				█			
Balancing Tolerances Code Modification					█		
CMP Code Modification					█		
BGTL Code Modification					█		
Boilerplate Code Modification					█		

Questions?