

UNC Consultation Response – Respondent Name: Scottish and Southern Energy

UNC Document: OAD, Drafting Comments

OAD Section A – Scope & Classification	2.4.1	This defines an LDZ System Entry Point as a single System Point. However the TPD defines a System Point as comprising one or more Individual system Entry Points. OAD drafting needs to be amended to be consistent with TPD drafting.
OAD Section B – Connection Facilities	1.8.1	This relates to circumstances under which a Party wishes to install plant or equipment at an Offtake Site where it is not the Site Owner. We suggest the "Party may request the Site Owner to agree to such installation" is replaced with "that Party will request".
	1.8.3(a)	It needs to be clear that this list is not exhaustive.
	2.1.1	Drafting needs to make clear that Condition 4B Statement only applies in relation to new Offtakes.
	2.2.4	The reference to "other Party" in the first line needs to make clear that you would only give notice to a Party where it will have an impact on that Party.
	2.4.1	The requirement not to allow any other person to interfere is too onerous. We suggest the wording be modified e.g. to "nor knowingly allow any other person to interfere".
	2.4.2	The Party taking action should be required, where possible to notify the other Party.
	3.1.4	This repeats provisions in 3.1.5. This should be deleted.
	3.7.1	This needs to make clear that the right to install, operate maintain etc is only in accordance with the provisions of this document.
	3.7.2(a)(I)	We believe the Party gaining access should be required to give prior notice. This is essential for site safety and security.
	3.7.2 / 3.7.3	We believe this could be removed and provided for under paragraph 6.
	3.9.1	We assume this applies to NTS/LDZ Offtakes only.
	3.9.2(b)	The square brackets need to come out.
		4.2.1
	5.2.3	Is the use of "bare licensee" appropriate?

<p>OAD Section C – Safety & Emergency</p>	<p>2.4.1 2.6.2© 2.6.2/2.6.3 2.7.3</p>	<p>We would appreciate clarification of the role of Transco NTS as the NEC. What functions are they required to perform? E.g. Is Transco NTS performing functions under 2.3.6 in its capacity as NEC? Similarly 2.4 suggests Transco NTS will from time to time plan, determine and notify each Party of exercises, tests and measures to be taken to test consistency and co-ordination of Emergency Procedures and testing application and implementation.</p> <p>"Other measures" needs to be clarified.</p> <p>Is it appropriate to include LDZ/LDZ offtakes?</p> <p>We wonder whether provisions are entirely necessary as the GSMR already set out any duty to co-operate. We believe these sections could be streamlined.</p> <p>What is meant by "or for other safety reasons"? We suggest the bit in square brackets be deleted.</p> <p>What is meant by "as it may think fit". As stated above, every effort should be made to consult the DNO.</p>
<p>OAD Section D – Measurements</p>	<p>1.4 1.4.4 1.5.1(b)(ii) 2.2.1(a) 3.2.3 3.3.1 / 3.3.5 / 3.3.6 3.4.1(d) 3.5.1 4.2.1(a) Annex D-1</p>	<p>We note the permitted ranges are intended for illustration only and are best practice targets. Actual permitted ranges will be recorded in the Supplemental Agreement.</p> <p>The end of this paragraph doesn't quite make sense. A bracket (and possibly some words) are missing at the end.</p> <p>It needs to be clear who will determine.</p> <p>This refers to the Gas Safety Management Regulations 1996. We do not believe this is appropriate.</p> <p>We do not believe this provision is necessary. We suggest it be deleted.</p> <p>A measure of reasonableness is required in terms of the circumstances under which the upstream Party can request a validation and the timescales. We also believe that in some cases it might not be necessary to cease the flow of gas entirely. In some cases would it not be sufficient to reduce the flow of gas?</p> <p>This can be removed.</p> <p>I think "accurately within the Permitted Range" can come out of square brackets.</p> <p>"Daly" in the 3rd line should be "daily".</p> <p>As above, we understand they are best practice targets and site specific details will be recorded in the Supplemental Agreements.</p>

OAD Section E – Telemetry etc	2.3.4	e do not believe this is required.
	2.3.5	It should be clear that Transco NTS will pay for NTS Telemetry Equipment.
	2.5.2(d)	It needs to be clear that where NTS equipment has failed or is failing to function properly, Transco NTS is obliged to take action.
	3.2	This needs to be redrafted to make it clear that Transco NTS will pay for NTS telemetry equipment in the event that it needs to be installed.
	3.2.1(d)	Text needs to make clear that there should be mutual co-operation.
	3.2.2	Transco NTS should pay.
	Annex E-2	
	2.1.(a) Annex E-2 and E-3	It is not clear what the targets are measured against. This needs to be clearer. They are both very technical and perhaps not appropriate for this document. Further consideration should be given to whether such detail is best captured elsewhere.
OAD Section F – Determination of CV	2.2.2	This seems unnecessarily onerous. The last line should be modified such that “the DNO will endeavour to take account of such guidance”.
	4.3	The 6 months notice required before implementing a change may be unnecessary in some cases. If the change can be incorporated within a shorter period by mutual consent, provisions should allow for this. The Business Rules provided for Transco NTS to publish daily CVs on the Transco web site. There is no mention of this in the OAD. This should be provided for under this Section F.
OAD Section G – Maintenance	2.2.5	Reference to 2.2.2(s) should be 2.2.2(a)
	2.4.2(a)	Reference to 5 Business Days is inconsistent with TPD provisions / requirements e.g. to provide 30 days notice. This section needs to be amended to ensure a DNO is able to meet TPD provisions.
	2.6.2(d)	This is unnecessary. This should be deleted.
	3.3.4	This is unnecessary and should be deleted.
OAD Section H – Long Term Planning		No comments.
OAD Section I – Operational Flows	2.1.3	This states that the rate of offtake set out in the OPN shall be constant for each hour. It should say “shall be constant within each hour”.

	3.2.2 / 3.2.3	This should be deleted. Any restrictions in relation to rate of change should be set out in the relevant Supplemental Agreement.
	4.2	We believe the use of the word "materially" is too onerous. We also assume provisions only apply at the D-1 stage.
	6.1.1(b)	The word reasonably should be inserted to read " at any other time at which Transco NTS may reasonably....require".
	6.1.2	We are unclear why Transco NTS needs access to LDZ stock information.
	6.4.1	This is too vague. As the paragraph states, this is provided for in Section C2 and is therefore not needed here. This paragraph should be deleted.
OAD Section J – LDZ/LDZ Offtakes		No comment.
OAD Section K – LDZ System Entry Points	1.2.1	This section doesn't make sense at it stands. The intent is there but it needs some minor modification. References are also incomplete.
	4.1.2	This refers to 4.1.2. I think it should refer to 4.1.1.
	4.2.1	The word "which" should be inserted after "for" in the first line.
OAD Section L – Cost Recovery..	2.2.4	The reference to Condition 4B Statement needs to be explained.
	2.2.7	The bit in square brackets at the end needs to come out.
	3.3.1	I think the second reference to "payee" should be "payor".
	3.7.5	This sets out a period by which the Parties if unable to resolve a dispute can refer a matter to an Expert for determination. There is no timescale set out in the square brackets.
OAD Section M – Information Flows	2.1.2	This section refers to the Offtake Communications Document. This is the document where all the information flows required to allow the Parties to operate will be set out. We look forward to receiving the document. We need to ensure all r requirements are met. We believe it is important that information is specified at a process level. We have previously highlighted the importance access to nominations. TPD now sets out that Transco NTS will provide such information in accordance with the OAD. However the OAD does not specifically make reference to this. This information is required for operational purposes and to ensure compliance with the TPD. We would expect to see requirements captured in the Offtake Communications Document.

<p>OAD Section N – General</p>	<p>1.2</p> <p>3.3.1(b)</p> <p>5.2.1(b)</p> <p>5.3</p> <p>7.2.1</p>	<p>This sets out the Subsidiary Documents. We look forward to receiving and reviewing these documents as soon as possible.</p> <p>A timescale should be inserted for the Upstream Party to prepare the draft of the Supplemental Agreement. We suggest 10 Business Days.</p> <p>We do not believe it is necessary to specify this. This option is always open to all Parties.</p> <p>The bit in square brackets needs to be removed.</p> <p>This should be without prejudice to cross indemnities in 7.1.</p>
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