

Interconnector (UK) Limited



Report on the latest updates to the IUK Access Terms (Issue 7) and Charging Methodology

17 July 2019

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REPORT ON THE LATEST UPDATE TO THE IUK ACCESS TERMS AND CHARGING METHODOLOGY

1. Introduction

IUK's Access Terms consist of:

- The IUK Access Agreement (“**IAA**”) which contains the general terms and conditions a Shipper must satisfy to access Interconnector capacity. By signing this, parties agree to adhere to the IUK Access Code.
- The IUK Access Code (“**IAC**”) details the access rules for IUK capacity acquired under the IAA.

The IUK Charging Methodology (“**CM**”) which sets out the methodology that IUK applies to charging for transportation services provided under the IAA. Since October 2018, the IAA has been the only contract through which Shippers book and utilise IUK capacity. Shippers have two options for booking capacity, either through the use of the Capacity Allocation Mechanism Network Code (“**CAM NC**”) auctions on PRISMA, or via IUK's Implicit Allocation Mechanism (“**IAM**”) which was launched in April 2018. IAM provides Shippers with more flexible access to capacity by enabling bookings to be made on a first come first serve basis, on more occasions than via the auctions on PRISMA.

The vast majority of the capacity bookings for Gas Year 2018-19 were transacted via this route. This booking behaviour showed that Shippers were finding real market value in securing capacity through IAM, and as such IUK consulted on increasing the amount of capacity available for offer through IAM from 50% to 75% of IUK's Firm capacity. This amendment was approved in March 2019, and with it, IUK announced that it would open up IAM further by introducing two new Implicit Allocation Partners alongside its existing Partner. This helped to enhance the visibility and transparency of the offering, and resulted in capacity being booked via all three Partners.

In Q4 and Q1 of each year, the amount of capacity that IUK can offer through IAM is slightly reduced due to an adjustment in the level of Firm capacity that is made available for sale in the Belgium to UK flow direction. This reduction in volume of Firm capacity was made in November 2018 and resulted in 30% of IUK's technical capacity for Q4 and Q1 in the BE to UK flow direction being offered as Interruptible capacity in the Daily auctions on PRISMA. The remaining 70% of BE to UK capacity is offered as Firm. Capacity in the UK to BE direction is unaffected.

This amendment was proposed because IUK wanted to take mitigating action against an external risk stemming from IUK's Electricity supplier (who was appointed by competitive tender) having the ability to call a Demand Response Event (“**DR Event**”) in times of market stress in Belgium. The 70-30 split between Firm and Interruptible capacity for Q1 and Q4 in the BE-UK flow direction is based on the maximum flows IUK can accommodate without reducing Firm nominations, if a DR event is called.

During a DR Event, IUK has two options, either reduce its electricity consumption (used by the compressors at IUK's Zeebrugge Terminal) and therefore halt the flow of gas through the Interconnector, or continue to flow through the DR Event and incur the Negative Imbalance Charge issued by Elia. The maximum direct price exposure for IUK to continue flowing gas through a DR Event is calculated as (13,500 euros/MWh x 105MWh x 3 hours) x 2 events/day. This would amount to an estimated charge of €8.5million/day.

Whilst a DR Event has not been called by IUK's Electricity supplier to date, and is very much seen as an exceptional situation, it is unviable for IUK, as a crucial piece of security of supply infrastructure and as a merchant interconnector to take on such a price exposure. As such, instead of not offering a

portion of IUK's Winter UK import capacity to the market, the current arrangements mean that the holders of the Interruptible capacity during Q4 and Q1 may choose to adjust their nominations during all hours of the gas day or pay the additional costs associated with flowing through a DR Event.

From 23 May - 20 June 2019, IUK consulted on proposed changes to the IUK Access Terms to expand the Implicit Allocation Mechanism and to re-address and improve the capacity offering in periods where a DR Event may occur. During this same period, IUK also consulted on its CM.

IUK is seeking approval of:

- a) The modifications that have been proposed for the IAA and the IAC;
- b) The ability for IUK to offer up to 30% of its technical capacity in the Belgium to UK flow direction as a Conditional Firm Capacity Product rather than as Interruptible Capacity;
- c) The modifications that have been proposed for the CM.

Appended to this report are:

- i. **May 2019 Consultation** (*Appendix A and B*);
 - Consultation letter outlining the changes to the IUK Access Terms and Charging Methodology;
 - The IUK Access Terms, marked up versions of the IAA and IAC;
 - The IUK Charging Methodology, marked up version;
 - Copies of written feedback received as part of the consultation process.
- ii. **Final Documents for Approval** (*Appendix C and D*)
 - Final versions of the IUK Access Terms, both clean and marked up versions of the IAA and IAC.
 - Final versions of the IUK Charging Methodology, both clean and marked up.

2. May 2019 Stakeholder Consultation

On 23 May 2019, IUK launched a public consultation on the proposed changes to the IUK Charging Methodology and the IUK Access Terms. IUK consulted on Issue 7 of the IAA and IAC and published a marked-up version of the changes proposed using Issue 6 of the IAA and IAC as the base documents. The proposed changes to the Charging Methodology were published in a marked-up version of the March 2019 document.

IUK engaged with stakeholders during the consultation period through a series of bilateral meetings and telephone calls. Alongside this, IUK held a Shipper Meeting on the 24 April 2019, before the launch of the consultation, which addressed the proposed changes.

The consultation closed on 20 June 2019 and the key changes to each document are detailed below;

2.1. IUK Access Agreement (Appendix A2 to this report)

Appendix A2 to this report contains the consultation version of the IAA. This version included changes to address the following;

- Clause 6.5: Amendment of the Force Majeure clause so that all capacity products are eligible for a reduction in the capacity charge should a Force Majeure event occur, rather than limiting the reduction to certain capacity products.

Several simplifications were proposed including the addition of the EIC Code, to clarify the legal entity entering into the agreement. There have been several new definitions included in Appendix B, as well as the removal of redundant terminology.

2.2. IUK Access Code (Appendix A3 to this report)

Appendix A3 to this report contains the consultation version of the IAC. The appended draft includes the following key modifications;

- Annex B-3, Clause 2.2.1(f): IUK has extended the duration within which capacity can be offered via IAM. This change proposes that, via IAM, Annual, Seasonal and Quarterly capacity may be offered for the next 15 years, whilst Monthly capacity products can be offered for the next 8 months.
- Annex B-3, Clause 2.4.2 and 2.4.3: IUK has updated these clauses to allow capacity to be allocated via IAM alongside a sale of natural gas, as well as a purchase of natural gas.

IUK has also made several amendments to facilitate the introduction of the new class of capacity, Conditional Firm. The key changes include;

- Section F, Clause 9.1(c): Information relating to the exceptional charges that Conditional Firm capacity incurs, should a Shipper decide to flow through a DR Event.
- Section I, Clause 4: A new section to introduce the provisions and conditionalities that will apply to the Conditional Firm products, including a detailed description of the specific 'Conditional Firm CF1' which has been introduced to address the exposure to a possible DR Event.

To facilitate the transition away from IUK's current gas management system, ISIS (IUK Shipper Information System) to the GSmart Gas Management system, IUK has proposed several minor changes which reflect the slightly different processes within the new system. A key change is that secondary capacity trading and capacity surrenders will be completed via the PRISMA platform only rather than on IUK's Information System. Several clauses have also been removed due to the revised processes within the new GSmart system.

2.3. IUK Charging Methodology (Appendix A4 to this report)

Appendix A4 to this report contains the consultation version of the IUK Charging Methodology. The appended draft includes the following key modifications;

- Section 1.2: Amended to allow capacity charges to be published in pence per kWh per day, as well as the existing pence per kWh per hour format.
- Section 4 & 5: IUK has specified that the Initial Registration Fee and the Monthly Administration Fee are non-transmission services.
- Annex 1, A.2 & A.3: IUK has introduced text to ensure that the publication of prices for Conditional Firm products is in line with the equivalent duration standard Firm product, if offered on PRISMA. Likewise, Annex 1, Section A.3 commits IUK to publish the prices at the same time as the equivalent Firm capacity product is offered via IAM.

2.4. Summary of consultation responses and IUK response

IUK's stakeholder consultation ran from 23 May - 20 June 2019, during which time IUK received formal responses from five stakeholders, Centrica, ENI, Engie, RWE, Shell, attached in Appendix B. All of the responses have been sent to Ofgem and CREG. IUK also received informal feedback from Shippers during bilateral meetings and phone calls throughout the consultation process, as well as feedback from Gazprom Marketing & Trading Ltd ("GMTL") after the window for submitting consultation responses was closed, which is included in the submission report. A summary is provided below.

2.4.1. IUK Access Terms

IUK received no specific comments on the minor simplifications made to the contract and will therefore proceed with the amendments as presented in the consultation. As part of its post-consultation review of the IAC, IUK has however noticed that Section F paragraph 5.3 needed amending in order to accurately reflect the indexation of capacity products which start after the Initial Gas Year. This change is required as IUK is proposing to offer Quarterly products further in advance.

Transition of IUK's Gas Management System to GSmart

Four out of the five responses provided comments on the GSmart transition, all of which were positive. One stakeholder (Engie) noted that they support the move as they are already familiar with GSmart and find it user friendly. Another (RWE) supported the use of PRISMA for secondary trading, which will be implemented along with the introduction of the GSmart. One Shipper (ENI) asked that IUK provides more information on capacity sales on its website for all capacity products.

IUK Response

IUK will proceed with the wording as presented in the consultation. IUK is testing the connectivity and file exchange formats between GSmart and IUK Shipper's systems. In September 2019, IUK will be holding tailored training sessions for its Shippers on how to use GSmart to manage their IUK portfolio. IUK is also implementing several website improvements which include the provision of more information regarding contracted and available capacity. This information will also be available to Shippers via the Electronic Data Platform ("EDP") which forms part of the GSmart suite.

Implicit Allocation Proposals – Extending the product offering

Four out of the five responses were fully supportive of offering capacity further in advance than the current offering. One stakeholder (Shell) valued being able to secure capacity at an earlier date and another (Engie) was supportive of IUK presenting Shippers with more booking opportunities. One response (RWE) did not fully support the proposal to extend the offering as they believe IAM is a complementary mechanism to the PRISMA auctions.

GMTL welcome the amendments to IUK's Implicit Allocation Mechanism. On extending the product offering, they believe that more flexibility is beneficial, and that facilitating the ability to book longer term via Implicit Allocation is also a good initiative.

IUK Response

IUK is pleased that the majority of stakeholders acknowledge the value in offering capacity further in advance via IAM, and believe that both IUK and the market can benefit from longer term booking being made possible. This was seen in the market recently as Shippers purchased Monthly capacity using the BBL Company's Implicit Allocation process for use from December 2019 onwards (i.e. much further in advance than currently available via IUK's IAM). IUK will therefore proceed with the proposal as described in the consultation.

The volume of capacity being offered via IAM remains unchanged. IUK will continue to utilise the PRISMA auctions where there have been numerous bookings for Gas Year 2018-19 and all unsold IAM capacity will continue to be made available via PRISMA. Daily and Within Day capacity remains

available exclusively via PRISMA. IUK will continue to abide by the requirements of Article 8.7 of the CAM NC to ensure capacity remains available for the shorter term auctions.

IUK also has anti-hoarding mechanisms in place, as per the Congestion Management Procedures (“**CMP**”) outlined in Annex I to Regulation 2019/715/EC to ensure that capacity remains readily available to the market and that cross border trade continues to be facilitated. IUK operates in a dynamic environment, where its Shippers optimise their bookings so it is unlikely that such procedures will be activated on capacity which is rarely subject to scarcity.

Implicit Allocation Proposals – Extending to ‘sell’ side commodity transactions

There were no negative responses received on the proposal to allow Shippers to match a sale transaction of natural gas with an equivalent volume of IUK capacity via IAM. One respondent (ENI) commented that this gave Shippers with long portfolio positions the opportunity to purchase capacity via IAM, helping to promote the marketing of gas at NBP and North West European (“**NWE**”) hubs. Another (RWE) mentioned how this proposal would help increase market efficiency and contribute to improving security of supply.

GMTL commented that they are supportive of this proposal and that it is reflective of the changing market conditions, in particular the increase in the volumes of LNG being delivered into North West Europe.

IUK Response

IUK is pleased that the market supports this proposal and that the responses acknowledge the positive impact on the security of supply picture in the UK and NWE. The extension to include gas sale transactions opens IAM up to more market participants by providing Shippers who have a long position or gas production activities with improved marketing opportunities. This helps to ensure that the process remains aligned with the commodity market. IUK will therefore proceed with the wording as per the consultation.

Introduction of a New Class of Capacity – Conditional Firm

Some stakeholders were supportive of IUK introducing a CF product, with one stakeholder (Engie) noting that the efforts to simplify the mechanism were appreciated and another recognising the need for such a product (Centrica). Two responses (RWE, Shell) suggested an ex-ante discount, whilst another (ENI) suggested a 100% rebate on CF capacity charge if a DR event occurred.

One response (RWE) did not support the introduction of CF products. The response suggested that by reducing the Firm capacity offering to 70%, the likelihood for selling out of this capacity and being eligible to sell longer term interruptible capacity products was greater. They also suggested the use of Buy-Back and Oversubscription as an alternative mechanism to offering a CF product.

IUK Response

The Belgian power market and the associated exposure faced by IUK are external risks over which IUK has no control. IUK is managing and mitigating the risk to ensure that the offer of Firm capacity is maximised and that such capacity is not impacted by the DR risk, which is being achieved by ensuring that the majority of the capacity can be offered as Firm (70%). Rather than not offering the remaining

capacity, IUK will offer this capacity as CF and will treat it as Firm at all times¹. Shippers will have a clear and upfront description of the applicable conditions, enabling the buying decision to remain with the Shipper.

IUK agrees with the feedback that if a DR Event occurs then there is a difference in value between the CF and Firm capacity. IUK will therefore set the rebate at 100% for all registered CF capacity on a gas day where a DR Event occurs. IUK will publish upfront that a 100% rebate will be given against the CF Capacity Charge for the affected gas day, so that the Shipper understands the associated risks before booking. Shippers will be notified Day Ahead by 17:00 CET whether a DR Event has been called for the following gas day. They will then have the choice to reduce their nominations or risk paying the additional charges. If a DR Event has occurred, all holders of the CF capacity, regardless of whether they reduced their nominations or not, will receive a 100% rebate against the CF Capacity Charge, which will be applied to their monthly invoice. This is more cost reflective than applying a discount to capacity during all periods and promotes equal treatment across IUK Shippers outside of a DR Event window. There will be no ex post changes to the rebate, providing Shippers with a transparent and objective charging structure at the moment of booking and when they come to utilise the capacity.

IUK spoke with GMTL, Shell and RWE following the decision to set the rebate at 100%. GMTL stated that they understand the logic for introducing this product. They believe that the proposal is reasonable, and that setting the rebate level at 100% provides Shippers with a holistic view of the risk / reward involved before they purchase such a product. IUK also followed up with Shell, who understand how the new proposal will be implemented and that the ex-post charge has been replaced with a 100% rebate.

IUK disagrees that offering 70% of the capacity as Firm increases the likelihood of it being fully contracted and instead believes that Firm capacity would need to be reduced further for there to be pressure on the availability. A situation as seen in Q1 of Gas Year 2018/19 where a very small portion (3%) of IUK's Firm capacity remains available is a more likely scenario. One of the main reasons for this is that on PRISMA, the mechanics of the ascending clock auctions mean that if the demand exceeds the offered capacity, then a small portion of Firm capacity will always remain unallocated (as it did in Q1 of Gas Year 2018/19), as the demand needs come down below the volume offered. This would continue to block IUK's ability to offer longer term Interruptible capacity products, leaving 30% of the capacity unavailable to market until the day ahead stage, which can then also only be offered via PRISMA and not IAM.

By offering the capacity as CF instead of Interruptible, IUK is maximising the capacity that can be offered in advance of the day ahead stage via both PRISMA and Implicit Allocation. This has a wider benefit on security of supply as Shippers can react earlier to supply shocks or demand indications, ensuring that the UK market is not unnecessarily exposed to the higher costs associated with reacting to market events.

The Buy-Back mechanism is not fit for purpose. The Buy Back auction will likely result in multiple offers at varying costs which IUK will need to process, before providing each Shipper with a payment for the volumes returned within a very short period of time. The process would place a substantial administrative burden on Shippers at a time when the market would be under significant stress. IUK believes that offering a 100% rebate on CF capacity when there is a DR Event is a significantly more efficient way of achieving the same end result - a reimbursement of the capacity charge. It also

¹ IUK has defined the 'Conditional Firm CF1' product to specifically address this DR risk; the CF1 product will therefore not be used to address other operational issues. Should IUK wish to introduce additional CF products, this would require a change to the contract and hence a market consultation.

provides the Shipper more certainty over the value of the reimbursement. Via Buy-Back, IUK accepts the lowest price first, so there is no guarantee that a Shippers' offer will be accepted, adding a superfluous element of uncertainty.

In addition, it is likely that Shippers may not return any capacity, as part of the voluntary Buy-Back phase. IUK will then have to initiate forced Buy-Back. In this scenario, all nominations are pro-rated down to the required level, meaning nominations against Firm capacity, including IUK's long term contract, would no longer be protected on a gas day where a DR Event is called. Offering CF instead provides the market with more clarity as it allows IUK to guarantee that Firm nominations are honoured, and concentrates the risk to a smaller portion of capacity. It is the Shipper's decision whether to buy this class of capacity or not. This is a much more transparent mechanism than Buy-Back as Shippers know in advance that this CF capacity will be impacted by a DR Event and that they will be 100% reimbursed by IUK for the cost of the capacity if such an event occurs.

2.4.2. IUK Charging Methodology

Three responses (Shell, ENI, Centrica) commented on the proposed amendments to the CM. All three were supportive of the changes, in particular the introduction of prices in pence per kWh per day to promote better alignment between the capacity and gas products transacted via IAM, as some gas hubs express commodity products as daily volumes.

GMTL added that the methodology for CF capacity should also be in the CM and not only in the Charging Statement to enhance transparency and allow Shippers to be able to predict the potential costs should a DR Event occur.

There is sufficient wording in the CM to describe the methodology through which the CF product booking incentive will be provided. IUK will publish the rebate in the Charging Statement, which is where all the actual charges applicable to IUK Shippers are currently reported.

IUK has therefore made no changes to the CM following the consultation period.

2.5. How the proposed modifications better achieve the relevant objectives

As required under the GB interconnector licence, IUK has provided a description of why the modifications to the IUK Access Terms and Charging Methodology are consistent with the objectives outlined in Condition SLC10 and SLC11A.

2.5.1. Transparent, Objective, Non-discriminatory

The relevant Access Rules' and CM objectives require transparency, objectivity and non-discrimination. Alongside this, they must comply with the requirements of Regulation 715/2009 and any relevant legally binding decision of the European Commission and/or ACER.

Transparency

The amendments to the IUK Access Terms meet the transparency requirement, as they have been subject to public consultation. Alongside this:

- The use of the CF product instead of Interruptible Capacity to address the price exposure associated with a DR Event removes any ambiguity over the risk of interruption due to other operational issues. The CF capacity offers improved contractual rights compared to an

Interruptible product and is treated as Firm capacity by IUK during all periods, whereas Interruptible Capacity gives IUK the option to interrupt it for other operational issues that Shippers have limited visibility or control over. In addition, Shippers will be compensated 100% by IUK for the capacity cost, in case of DR Event, which reduces Shipper uncertainty and improve transparency.

- GSmart promotes transparency as it will provide Shippers with enhanced visibility of their bookings and utilisation via the EDP. This system also provides IUK with improved reporting tools which will improve the publication of capacity availability information.

The amendments to the IUK CM improve transparency by:

- Making it clearer that the initial registration and monthly administration fees are non-transmission services.
- Including CF products in the IUK publication timetable in Annex 1 which therefore commits IUK to publish CF product prices at the same time as the equivalent duration products.

Objectivity

The amendments to IAM do not impact IUK's ability to meet the obligation that the IUK Access Rules are objective. The proposed modifications to the Access Rules allow IUK to better achieve this requirement:

- By providing a reduction in the capacity charge for all Shippers impacted by a Force Majeure event any partiality towards longer term capacity holders is removed, meaning that all Shippers are treated equally (Clause 6.5 of the IAA).
- IUK is able to offer more Firm capacity to the market via both PRISMA and Implicit Allocation, instead of Interruptible capacity which can only be offered on a day ahead basis and gives IUK the option of interrupting capacity for operational reasons, that Shippers have no control over. IUK will issue a 100% rebate for the holders of a CF product if a DR Event occurs. This is reflective of IUK establishing a neutral position to an external issue which is outside of its control. CF capacity holders will be fully rebated and IUK will receive no revenue gain should a DR Event occur.
- Enabling Shippers who are already long in gas from potentially having to acquire additional gas to take part in the IAM process removes the bias against these Shippers, and creates a more objective allocation mechanism which can be accessed equally by all interested parties.

The amendments to the CM ensure objectivity by committing IUK to publish CF product price information at the same time as the publication of other equivalent duration products, regardless of which allocation mechanism is used. The addition of the ability for IUK to offer capacity as pence per kWh/h per day as well as pence per kWh/h per hour provides additional optionality for Shippers, enabling Shippers to align the capacity purchase better with gas trades under IAM.

Non-Discriminatory

The amendments to the IUK Access Terms also better fulfil the objective to be non-discriminatory in the following ways;

- By amending the Force Majeure clause, IUK is ensuring non-discriminatory treatment of its Shippers, as now all holders of IUK capacity will be offered the same relief against the capacity charge, whereas previously this reduction was only applicable for Shippers who were longer term capacity holders (Clause 6.5 of the IAA).

- The use of a rebate rather than a discount on the capacity charge for CF products, helps IUK ensure that there is no discrimination between the holders of CF and Firm capacity for the periods where there is no risk of a DR Event occurring. This reduces the risk of Shippers being exposed to undue risk simply to achieve a lower tariff for their booking and means that this product will primarily be used after the sale of Firm capacity.
- Enabling Shippers who have gas production in their portfolio to sell their gas as part of IAM means that they can now benefit from being able to purchase capacity outside of the CAM NC auction calendar and are no longer limited to the standard bundled capacity products. By lifting these constraints, these Shippers have equal access to purchasing IUK capacity more efficiently.

For the CM, non-discrimination is ensured by the commitment to publish CF product prices at the same time as other equivalent duration products and for each allocation mechanism.

2.5.2. Compliance with Regulation 2009/715/EC and other decisions

Implicit Allocation Proposals

The proposals to increase the period in which capacity products can be offered and to match capacity purchases with a sale of natural gas via the IAM are fully compliant with the CAM NC and with Regulation 2009/715/EC. These proposals also mean that IUK is better facilitating the requirement of Article 16.2(b) of Regulation 2009/715/EC to provide Shippers with a flexible allocation mechanism that is capable of being developed to reflect changing market conditions.

Conditional Firm Capacity Proposal

The proposal to introduce a CF capacity product better meets IUK's requirement to maximise its offer of capacity to the market whilst ensuring that system integrity is maintained, as outlined in Article 16.1 of Regulation 2009/715/EC. It allows IUK to offer more Firm capacity to the market and via both Implicit allocation and PRISMA.

The application of a 100% rebate for all holders of the CF product on a gas day where there is a DR Event as the proposed booking incentive better achieves Article 13.2 of Regulation 2009/715/EC in ensuring that the tariff structure does not lead to distortion of cross border trade. A discounted capacity tariff would lead to distortion amongst Shippers transacting on the Interconnector outside of a DR Event.

By confining the different charging regime to the period where the condition has been met, ensures that the tariff is taking account of the actual costs incurred as required by Article 13.1 of Regulation 2009/715/EC and Article 7(a) of the Tariff Network Code ("**TAR NC**"); for example, during all periods where the condition is not met, IUK is providing the same service to holders of the CF capacity as to the holders of the Firm capacity, therefore IUK is incurring the same costs. It also means that there is no discrimination or cross subsidisation between Firm and CF capacity holders during periods where the condition is not meant, in line with Article 7 of the TAR NC.

Defining the initial registration and monthly administration fee as non-transmission services within the CM further improves compliance with the TAR NC. It addresses a specific recommendation by ACER in its Article 27 periodic consultation assessment for more clarity on which category these services fall into.

2.6. Timetable for the implementation of the proposed modifications.

IUK has also included a timetable which outlines the steps taken as part of the consultation process and the date that the modifications to the IUK Access Terms will take effect subject to NRA approval.

Date	Action
24 April 2019	IUK Shipper Meeting including detailed session on the proposed changes that would be included in the next consultation
23 May 2019	Consultation opened. All Stakeholders were invited to provide IUK with feedback on the modifications to the IUK Access Terms and the IUK Charging Methodology.
24 April – 20 June 2019	IUK met or held telephone calls with the majority of its Shippers which included discussions on the key changes being proposed in the consultation.
20 June 2019	Consultation closed.
20 June – 09 July 2019	IUK followed up with Shell and RWE, and also spoke with Gazprom Marketing & Trading Ltd to obtain informal feedback.
16 July 2019	Formal submission of the IUK Charging Methodology to Ofgem and CREG for approval.
16 July 2019	Formal submission of the IUK Access Terms to Ofgem and CREG for approval.
October 2019	Subject to NRA approvals, the IUK Access Terms and the IUK Charging Methodology come into force.

3. NRA Decision

IUK has provided this document to Ofgem and CREG to assist them in determining whether the proposed changes to IUK's Access Terms and CM meet relevant EU, Belgian and GB interconnector licence obligations.

In line with SLC11A(15) of IUK's GB interconnector licence, IUK is required to publish its revised Access Rules 28 days before coming into effect. IUK would like to request that this notice period is reduced to 10 days or the NRA decision is taken earlier and not at the end of the 3 month approval process to ensure that IUK's Access Terms reflect the transition to the GSmart gas management system which is scheduled for 23 October 2019 (with a fall back implementation date of 29 October 2019).

Appendices

Appendix A May 2019 Consultation

- A1 IUK Access Terms Consultation Letter
- A2 IUK Access Agreement (IAA) Issue 7 for consultation (Changes Tracked)
- A3 IUK Access Code (IAC) Issue 7 for consultation (Changes Tracked)
- A4 IUK Charging Methodology for consultation (Changes Tracked)

Appendix B Responses to May 2019 Consultation

- B1 Centrica
- B2 ENI Trading & Shipping S.p.A (Confidential)
- B3 Engie
- B4 RWE Supply & Trading GmbH
- B5 Shell Energy Europe Ltd

Appendix C Final Contractual Arrangements (Post Consultation)

- C1 Final version, IUK Access Agreement (IAA) (post-consultation with Changes Tracked)
- C2 Final version, IUK Access Agreement (IAA) (clean)
- C3 Final version, IUK Access Code (IAC) (post-consultation with Changes Tracked)
- C4 Final version, IUK Access Code (IAC) (clean)
- C5 Final version, IUK Charging Methodology (post-consultation with Changes Tracked)
- C6 Final version, IUK Charging Methodology (clean)
- C7 IAA Summary Issue 7 (For information only) (Changes Tracked)
- C8 IAA Summary Issue 7 (For information only) (clean)

Appendix D Final Contractual Arrangements (Post Consultation) – Dutch Translations

- D1 Final version, IUK Access Agreement (IAA) (post-consultation with Changes Tracked)
- D2 Final version, IUK Access Agreement (IAA) (clean)
- D3 Final version, IUK Access Code (IAC) (post-consultation with Changes Tracked)
- D4 Final version IUK Access Code (IAC) (clean)
- D5 Final version, IUK Charging Methodology (post-consultation with Changes Tracked)
- D6 Final version, IUK Charging Methodology (clean)

- D7 IAA Summary Issue 7 (For information only) (Changes Tracked)
- D8 IAA Summary Issue 7 (For information only) (clean)