

28/03/2002

Dear Colleague,

**NOTICE OF IMPLEMENTATION
MODIFICATION PROPOSAL No: 0541**

"Inclusion of Unsold Baseline Capacities in Day Ahead Capacity Auctions"

Please note that Modification Proposal No 0541 was implemented with effect from 06:00 hours on 01/04/2002. The Final Modification Report, Version 1.0, was signed by Ofgem on 28/03/2002.

The new Network Code text resulting from this Modification follows.

Modified Text:

TRANSITION DOCUMENT, PART II

Add new paragraph 8.1.3B to read as follows:

"B2.5 In respect of a Day in the calendar months April 2002 to September 2002 (inclusive) in relation to an Aggregate System Entry Point:

- (1) where Transco undertakes a capacity allocation on the Preceding Day the ASEP Specific Available Daily Capacity in respect of the Aggregate System Entry Point shall be the greater of:
 - (i) the amount of System Entry Capacity that would be determined as such in accordance with Section B2.5; and
 - (ii) the amount by which the Output ASEP Quantity, for the Aggregate System Entry Point and the calendar month in which such Day falls, exceeds the Aggregate Firm Registered Capacity for the Day;
- (2) the Capacity Charges payable to Transco in respect of Daily System Entry Capacity allocated on the Preceding Day shall, where the Aggregate Firm Registered Capacity for the Day exceeded the Output ASEP Quantity, for the Aggregate System Entry Point and the calendar month in which such Day falls, be treated as Relevant Capacity Revenues for the purposes of paragraphs 8.1.11 (notwithstanding paragraph 8.1.12) and 8.1.13 of this Part II, but not otherwise."

Yours sincerely,

Julian Majdanski
Modification Panel Secretary