

TRANSCO NETWORK CODE MODIFICATION PROPOSAL No. 0510

"Provision of Additional Gas Flow Information to Transco"

Version 1.0

Date: 06/12/2001

Proposed Implementation Date: 01/04/2002

Urgency: Non-Urgent

Justification

Transco currently receives nomination information from Users via AT-Link. Transco is also provided with gas delivery information from Terminal Operators via Daily Flow Notifications (DFNs). Frequently Transco observes disparities between AT Link and DFN information. This can frustrate efficient balancing decisions and, therefore, it may be appropriate for Transco to receive additional information about intended gas flows.

Transco has expressed concerns regarding increasing discrepancy between information from differing sources. The underlying causes of informational uncertainty could be better understood if Transco was to receive timely information about "beach" and Interconnector gas supply nominations in respect of gas supply nominations and storage nominations. This will require Users to communicate the same information to Transco as they communicate with either gas suppliers or storage providers.

Nature of Proposal

The Proposal seeks to introduce an obligation on Users to provide more comprehensive information to Transco to confirm nominations or renominations made in respect of gas input flows. It is intended that, when requested by Transco, Users will be required, as soon as reasonably practicable following any initial nomination or renomination, to advise Transco of the corresponding flow instructions given to each of gas suppliers, interconnector operators, and storage providers. This is expected to assist Transco in understanding changes in gas deliveries to Transco's system, and will enable better understanding of the source of AT-Link nomination changes, and potentially identify locations and times of particular concern to facilitate subsequent investigation.

In addition, where the User is required by its supplier or storage provider to accept gas, other than via User's nominated contractual arrangements, it is proposed that the User will be required to provide the additional information detailed in this Proposal to Transco in a similar manner to that for a User nominated change.

It is anticipated that the detail and method of providing this additional information would be in a form and via a communication method specified by Transco. Initially such communication

would be via fax and include the following information for User nominated beach gas quantities under supply contracts:

1. Supplier/Storage Operator to whom the request has been made
2. ASEP (and, where appropriate, sub terminal) affected, for identification to include the AT-Link service ID.
3. The Gas Day to which the nomination relates
4. End of day nominated quantity (kWh) (details of other units and conversion factors to be supplied when gas supply contract nominations completed in units other than kWh),

and if a nomination is changed:

5. Implied physical rate change(s) (if any)
6. Expected times of physical rate changes
7. Expected profile of deliveries (hourly kWh flow rates) to the end of the Gas Day

Where such nominations are made within-day, then Users will also be expected to indicate their best estimate of quantities delivered up to the previous hour bar, and their best estimate of delivered quantities up to the first time of the associated flow change.

Where Users' own gas (from Storage and/or other offshore reserves) is anticipated to enter the system, similar information should be supplied as to the above, identifying that such gas is "equity owned" by the User.

It is also recognised that some Users receive gas deliveries under "Sellers nomination" arrangements at the behest of the Seller. To develop a comprehensive assessment of anticipated gas deliveries, such gas flows should be included in the information flows and therefore similar information to the above will be required in respect of Users' best estimate of such gas quantities and flow rates. The information provided to Transco will specifically identify such transfers of gas.

Purpose of Proposal

Better information may lead to a more efficient balancing action process as it will allow Transco to make more informed balancing action decisions. This should lead to more efficient operation of the gas balancing regime, and thus better facilitate efficient and economic operation, as stated in Standard Condition 9 1(a).

Consequence of not making this change

If the Proposal is not implemented, there will be no improvement in the information available to Transco when decisions are taken about energy balancing and system development.

Area of Network Code Concerned

Section C3: Input Nominations.

Proposer's Representative

Shafqat R Ali (Transco)

Proposer

Tim M Davis (Transco)

Signature

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