

Modification 0514 Development Work Group

Monthly Report to the Modification Panel - May 2002

Since the last update the Standards of Service Development Work group has met on 23th April and 7 May 2002 and the following topics were discussed.

23 April 2002

Operational and Invoice Queries

Transco provided an initial analysis on the 4 day query performance which could change post Unbundling and result in a different spread of the remaining GT query types.

Shippers proposed the removal of Duplicates from the 4 day SOS.

Revised Schedule of Discussions

Transco presented a revised schedule of discussions, and confirmed that it may be necessary to include an additional meeting in early June to meet the discussion schedule.

Incentive Payments – Clarification of Rules

Transco sought clarification on the rules within the proposal in respect of the query incentive payment timescales for queries greater than 20 days old

Overview of Existing Standards

Transco presented an overview of the existing Network Code provisions for Agreed Site Visits, Invalid Offers and Nominations Referred.

It was agreed that further discussions were required to fully understand how the service standards could be applied to existing processes and also to review the incentive payments proposed.

Background Information for Modification 0514

Transco again requested a copy of the background information referred to at the April Modification Panel. It was confirmed that although there were minutes from the shipper meetings, these were confidential and could not be passed to Transco without consent by all parties.

7 May 2002

Ratification of the Query Definition by the SOS Sub Committee

Transco confirmed that the draft Query definition had been sent to the members of SOS Sub Committee for ratification.

Incentive Payments – Clarification of Rules

Following on from the discussions at the last meeting, Transco confirmed that it had carried out an analysis of resolved queries beyond 20 business days and the percentages showed that the majority were cleared between 23 and 24 Business days.

Discussion on SOS Query proposals

Following a debate about the SOS query proposals, Transco expressed its concern about the different views that appeared to be emerging from shipper representation from one meeting to the next and suggested that it may be beneficial to have core members for consistency. At the previous meeting, Transco had indicated that an extension to the development period may be required and a decision would be made at the present meeting.

Shippers confirmed that despite previous agreement to the contrary the proposed SOS package was not intended to be implemented post Unbundling and consequently the query proposals related to all queries which included meter assets.

With a view to progress facilitation of the discussions, shippers requested that Transco provide a list of its questions prior to the next shippers meeting so these could be reviewed. Transco agreed to review the request although it did have concerns about the timescales as the previously agreed topic discussion schedule was still incomplete.

Discussions on Proposed Modification Timescales

Transco asked the group what their perspective was in terms of what is achievable for June in respect of the Modification proposal, and shippers confirmed that this was subject to any further questions that Transco had yet to raise. Transco confirmed that the list of questions that it had already raised at the first meeting on 4 February had not been answered as it was agreed by the group that these needed to be discussed further in line with the topic discussion schedule.

Next Steps

In view of the discussions, it was agreed that it was not appropriate to discuss the proposed agenda topics as the analysis Transco had already completed for discussion in respect of PPL's was related to GT queries only.

The next meeting is scheduled for 20 May 2002 and this will take place at the

Adelphi (TXU London office) where further development of the modification will be discussed with a view to progressing this going forward.

Transco confirmed that it would not be feasible to submit a Development Work Group Report to the June Modification Panel given that the discussion schedule would be incomplete. Shippers were not in agreement that Transco should request an extension to the period of Development. Therefore an incomplete report will be submitted and a failure to agree on this point would be recorded.