

**Draft Modification Report**  
**Removal of the requirement to nominate Smaller Supply Points on first Registration**  
**Modification Reference Number 0476**  
Version 1.0

This Draft Modification Report is made pursuant to Rule 7.3 of the Modification Rules and follows the format required under Rule 8.9.3.

**1. The Modification Proposal**

Modification of the Network Code is required to eliminate the necessity to Nominate Smaller Supply Points on first registration.

**2. Transco's Opinion**

The existing Supply Point registration related provisions within the Network Code (Section G) require New Smaller Supply Points to be nominated on first registration prior to confirmation and registration. The Nomination process adds three Business Days to the elapsed time for registration.

This Modification Proposal seeks to simplify the registration process for New Smaller Supply Points on their first registration by removing the unnecessary activity of Nomination thereby reducing the timescale within which a New Smaller Supply Point may be registered. For the avoidance of doubt where an aggregation within a New Smaller Supply Point is required, the requirements for Nomination would remain.

It should be noted that the principle of eliminating the Nomination in the above circumstances has been discussed within the SPA/Metering Workstream within the remit of Modification Proposal 0347 'Amendment to the SPA Process for the creation of new domestic Supply Points (<73,200kWh)'. Agreement within the above forum was reached with regard to acknowledging the obsolescence of the need to quote the Siteworks Reference Number (SWN) with respect to Supply Point registration. Elimination of the need for Users to provide an SWN to Transco (currently via a Nomination) renders the need to Nominate with respect to New Smaller Supply Points redundant.

Transco is therefore supportive of the objectives of this Modification Proposal although it should be noted that early implementation would not be possible given the significant systems enhancement work required.

**3. Extent to which the proposed modification would better facilitate the relevant objectives**

Implementation of this Modification Proposal would remove an unnecessary step in the Supply Point Registration process. This is consistent with Transco's PGT Licence 'relevant objective' of facilitating competition between relevant shippers and relevant suppliers by simplifying and speeding the registration of New Smaller Supply Points.

**4. The implications for Transco of implementing the Modification Proposal , including  
a) implications for the operation of the System:**

No such implications have been identified.

**b) development and capital cost and operating cost implications:**

Transco would incur development costs associated with enhancing its UK-Link system

**c) extent to which it is appropriate for Transco to recover the costs, and proposal for the most appropriate way for Transco to recover the costs:**

The costs of implementing this proposal would be treated as ordinary business costs.

**d) analysis of the consequences (if any) this proposal would have on price regulation:**

No such consequences have been identified.

**5. The consequence of implementing the Modification Proposal on the level of contractual risk to Transco under the Network Code as modified by the Modification Proposal**

No such consequences have been identified.

**6. The development implications and other implications for computer systems of Transco and related computer systems of Users**

Transco would need to undertake modification of its UK-Link system. It is also likely that Users would need to modify their computer systems.

**7. The implications of implementing the Modification Proposal for Users**

Implementation of this Modification Proposal would be beneficial to Users in lessening the administrative activity and timescale required for New Smaller Supply Points to be registered.

**8. The implications of implementing the Modification Proposal for Terminal Operators, Consumers, Connected System Operators, Suppliers, producers and, any Non-Network Code Party**

No such implications have been identified.

**9. Consequences on the legislative and regulatory obligations and contractual relationships of Transco and each User and Non-Network Code Party of implementing the Modification Proposal**

No such consequences have been identified.

**10. Analysis of any advantages or disadvantages of implementation of the Modification Proposal**

**Advantages:**

Enables more rapid registration of New Smaller Supply Points.

Eliminates current requirement for Users to provide a Siteworks Reference Number when registering a New Smaller Supply Point.

**Disadvantages:**

None identified.

**11. Summary of the Representations (to the extent that the import of those representations are not reflected elsewhere in the Modification Report)**

Representations are now sought.

**12. The extent to which the implementation is required to enable Transco to facilitate compliance with safety or other legislation**

Not applicable.

**13. The extent to which the implementation is required having regard to any proposed change in the methodology established under Standard Condition 3(5) or the statement furnished by Transco under Standard Condition 3(1) of the Licence**

Implementation of this Modification Proposal is not required to facilitate any such change.

**14. Programme of works required as a consequence of implementing the Modification Proposal**

Implementation of this Modification Proposal would require Transco to modify its UK-Link system. It is likely that enhancement would also be required to User's computer systems and associated processes.

**15. Proposed implementation timetable (including timetable for any necessary information systems changes)**

Significant systems development work would be required to enable implementation of this Modification Proposal. Transco is currently unable to provide a prospective implementation date for completion of this work.

**16. Recommendation concerning the implementation of the Modification Proposal**

Transco recommends that this Modification Proposal be implemented.

**17. Text**

**SECTION G**

**Paragraph 2.1.2(a)**

Amend to read:-

- (a) where the Proposed Supply Point is a Larger Supply Point or a New Smaller Supply Point and there is more than one Supply Meter Point comprised in the Proposed New Smaller Supply Point, then the User must make a Supply Point Nomination in accordance with paragraph 2.3, in response to which Transco will (subject as provided in this Section G) submit to the Proposing User a Supply Point Offer in accordance with paragraph 2.4; and

**Paragraphs 2.1.4(i) & (ii)**

Amend to read:-

- (i) a " **Supply Point Nomination** " is a communication by a Proposing User in respect of a Larger Supply Point or, where required, a New Smaller Supply Point requesting a Supply Point Offer from Transco;

- (ii) a " **Supply Point Offer** " is a communication by Transco to a Proposing User providing information in respect of a Larger Supply Point or, where required, a New Smaller Supply Point ;

### **Paragraph 2.3.1**

Amend to read:-

- 2.3.1 A User may make a Supply Point Nomination in respect of a Larger Supply Point or may, where required, make a Supply Point Nomination in respect of a New Smaller Supply Point in accordance with paragraph 2.1.2 and this paragraph 2.3. Where a Proposing User wishes to make a Supply Point Nomination.....

### **Paragraph 2.3.8**

Amend to read:-

- 2.3.8 .....Transco may (unless it rejects the Supply Point Nomination ) give notice (a “**referral notice**”).....

### **Paragraphs 2.5.1(i) & (ii)**

Amend to read:-

- (i) in respect of a Current Smaller Supply Point or a New Smaller Supply Point comprising of one Supply Meter Point (pursuant to the establishment of a New Supply Meter Point in accordance with G7.1.1(b)(i)), in accordance with paragraph 2.6, at any time;
- (ii) in respect of a Larger Supply Point or a New Smaller Supply Point comprising of more than one Supply Meter Point, in accordance with

paragraph 2.7, after making a Supply Point Nomination , at any time where the condition in paragraph 2.5.2 is satisfied; or

#### **Paragraph 2.5.12**

Add the following new paragraph:-

2.5.12 By making a Supply Point Confirmation in respect of a New Smaller Supply Point comprising of one Supply Meter Point then the Proposing User shall be deemed to have included within the Supply Point Confirmation such relevant information as described under paragraph 2.4.2 as may be contained in the Supply Point Register in relation to the Proposed Supply Point.

#### **Paragraph 2.7**

Amend the title of the paragraph to read:-

Supply Point Confirmations: Larger Supply Points and Smaller Supply Points subject to nomination

#### **Paragraph 2.7.1**

Amend to read:-

2.7.1 A Supply Point Confirmation in respect of a Larger Supply Point or Smaller Supply Point subject pursuant to paragraph 2.1.2(a) to the requirement to be Nominated shall...

#### **Paragraph 7.3.10(b)**

Amend to read:-

- (b) the meter point capacity (as specified in the relevant Siteworks Contract) of such New Supply Meter Point is greater than 73,200 kWh (2,500 therms) per annum but does not exceed 732,000 kWh (25,000 therms) per annum; and

***Representations are now sought in respect of this Draft Report and prior to Transco finalising the Report***

Signed for and on behalf of Transco.

Signature:

**Tim Davis**  
**Manager, Network Code**

Date: