

**TRANSCO NETWORK CODE MODIFICATION PROPOSAL No 0367.**

**SHORT TITLE:** Treatment of Scheduling and Balancing Tolerances at Storage Connection Points

**DATE:** 4th November 1999      **PROPOSED IMPLEMENTATION DATE:** 1st December 1999

**URGENCY:** Urgent

**JUSTIFICATION OF URGENT STATUS:**

The treatment of tolerances at Storage Connection Points might be considered to be discriminatory relative to the arrangements for other exit points and should therefore be amended as soon as possible.

**NATURE OF PROPOSAL:**

Under the Storage Balancing Arrangement (SBA) detailed in Section R 2.2 of the Network Code, a Storage Operator can aggregate shippers' balancing and scheduling tolerances against their own account at a Storage Connection Point (SCP): a service unavailable to other Users of the system.

Therefore Transco proposes to amend its Network Code to bring arrangements for the treatment of tolerances at Storage Connection Points in line with other exit and entry points on the NTS.

This proposal will marginally increase Users' tolerances at SCP, and consequently is expected to reduce their costs. Storage Operators' costs are expected to marginally increase as a result of this change.

If approved, this modification should be implemented on 1st December 1999, thereby removing the present inconsistency quickly.

**PURPOSE OF PROPOSAL:**

The purpose of this proposal is to ensure that contractual arrangements regarding tolerances at entry and exit Points (including SCPs) are standardised under the Network Code. It also helps to facilitate the relevant objective of the efficient discharge of Transco's obligations under its PGT Licence within Standard Condition 7, by ensuring non-discriminatory treatment of Users.

**CONSEQUENCE OF NOT MAKING THIS CHANGE:**

The consequence of not making this change is that treatment of Users at Storage Connection Points would be inconsistent with Users at other Entry and Exit points.

**AREA OF NETWORK CODE CONCERNED:**

Section F : System Clearing, Balancing Charges and Neutrality.

Section R : Storage

**IDENTITY OF PROPOSER'S REPRESENTATIVE:**

Chris Bradley - Network Code Development

**PROPOSER :** Tim Davis

**SIGNATURE:**

**POSITION:** Manager, Network Code Development

**COMPANY:** Transco

**MODIFICATION PANEL SECRETARY'S USE ONLY**

Reference Number: 0367

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