

MODIFICATION PROPOSAL

SHORT TITLE: VLDMC Exit Point Flexibility Bids.

DATE: 24 April 1996.

PROPOSED IMPLEMENTATION DATE: 31 May 1996.

JUSTIFICATION: Under the Network Code, System Exit Point Flexibility Bids are restricted to one system buy and one system sell per system exit point posted at any one time on the system.

VLDMC exit points have potential additional flexibility which could be offered to help system balancing. During the early stages of the Network Code, the number of bids on the flexibility mechanism was restricted in order to simplify operations. Operational experience, however, now indicates that the number of VLDMC exit point flexibility bids could be raised to accommodate this Power Station flexibility without raising additional operational concerns.

AREA OF NETWORK CODE CONCERNED:

Principal Document D2.3.4 (Bid restrictions)

NATURE OF PROPOSAL: To raise the number of outstanding System Exit Buys or System Exit Sells, for any Day from one to four, in respect of VLDMC Flexibility Eligible System Exit Points.

PURPOSE OF PROPOSAL To improve the liquidity of the flexibility mechanism and operational options by allowing additional bids.

IDENTITY OF PROPOSER'S REPRESENTATIVE:

PROPOSER : Doug Wood
POSITION : Manager, Transportation & Capacity Trading.
COMPANY : ENRON Capital & Trade Resources Ltd.

REFERENCE NO. 0022.