

REVIEW GROUP - FINALISED TERMS OF REFERENCE
Proposal Ref : 0036 - Review of Flexibility Bid Restrictions.

Composition

Chris Train	TransCo
Graham Ryott	TransCo
David Turner	TransCo
Douglas Lawrence	AGAS
Nick Simpson	BGT
Rob Barnett	ENG (Retail) Ltd
Julian Hucker	Kinetica
Phil Dowson	MGM (UK) Ltd
David Neild	Alliance
Roger Henderson	United
Julie Cox	National Power
Doug Wood	Enron

Scope of Review Group

Under the Network Code there are restrictions on the number of flexibility bids which can be made for any gas flow day. This will include those associated with System Entry Buys or Sells, and System Exit Buys or Sells. A modification requesting an increase in the number of VLDMC demand side bids is presently being considered under the modification process (Modification 0022).

Energy Balancing Business Rules acknowledge that, following operational experience of the flexibility mechanism, bid restrictions would be reviewed. This review process would investigate the current regime and recommend any potential revisions to the flexibility bid restrictions.

The review group would also need to propose modifications to the Network Code rules referenced in section D2.3.

Work to be undertaken

The Review Group will need to consider;

- 1 The implications of allowing Flexibility Bids to be made where flow rate changes are less than 0.05 MCM/day.
- 2 The implications of raising/lowering the number of Flexibility Bids for System Entry Buys or System Entry Sells from two where the flow rate changes are less than 0.5 MCM/Day.
- 3 The implications of restricting the number of Flexibility Bids for System Entry Buys of System Entry Sells where the flow rate changes are not less than 0.5 MCM/Day.

- 4 The implications of raising/lowering the number of System Exit Buys or System Exit Sells for Flexibility Eligible System Exit points.

The review will need to take into account information relating to operational experience to date and make appropriate recommendations.

Consideration will also need to be given to any consequential impact on Operational Guidelines and make any appropriate recommendations.

The Review Group will produce a report for consideration by the Modification Panel.

Time-table

A monthly progress report will be produced for each Modification Panel meeting.

The Review Group will also produce the Review Group Report for discussion at the Modification Panel during October 1996.