CODE MODIFICATION PROPOSAL No. 0045

"Provision of Available Interruption Information"

Version 2.0

Date: 10/08/2005

Proposed Implementation Date: 01/11/2005

Urgency: Non-Urgent

Proposer's preferred route through modification procedures and if applicable, justification for Urgency

(see the criteria at http://www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/2752_Urgency_Criteria.pdf)

Transco NTS seeks the Modification Proposal to proceed direct to consultation in accordance with the modification procedures in paragraph 7.3 of the UNC Modification Rules.

Nature and Purpose of Proposal (including consequence of non implementation)

It is proposed that DNO Users be required to provide to Transco NTS by 18:00 ahead of the Gas Day their best estimate of the gas flows that will be available for Interruption in each LDZ. This information is currently derived from the "Interruption Manager" software run by Distribution National Control Centre "DNCC". To ensure that Transco NTS has the information it requires for the coming winter, implementation is proposed to be no later than end of October 2005.

The Offtake Arrangements Document "OAD" provides for the provision of information on the capacity available for interruption based upon Supply Point Capacities (SOQs). However, in practice SOQs are of limited use to Transco NTS's (and the DNO's) control centres; generally they overstate the available interruption capacity. Prior to Network sales, "Interruption Manager", which uses actual flow measurements, was available to the whole of Transco. The information is now only available to DNOs (through the DNCC).

Transco NTS considers that this Proposal should be implemented so that Transco NTS would have the enhanced level of information that was available prior to separation of transportation and distribution to assist making the most efficient and economic demand management actions.

Basis upon which the Proposer considers that it will better facilitate the achievement of the Relevant Objectives, specified in Standard Special Condition A11.1 & 2 of the Gas Transporters Licence

Transco NTS considers the Proposal would, if implemented, better facilitate the following Relevant Objectives as set out in its Gas Transporters Licence:

• in respect of paragraph A11.1(a), the Proposal would facilitate the efficient and economic operation of the NTS pipe-line system by enabling Emergency and capacity management decisions to be made using more accurate information than would otherwise be the case; and

• in respect of paragraph A11.1(b), the Proposal would facilitate the coordinated, efficient and economic operation of the combined pipe-line system by increasing the effectiveness of interruptions within distribution networks where initiated by Transco NTS.

Any further information (Optional), likely impact on systems, processes or procedures, Proposer's view on implementation timescales and suggested text

Advantages of the Proposal

Transco NTS considers that this Proposal will ensure that Transco NTS is able to undertake Emergency and capacity management actions in the light of the best available information, thereby assisting Transco NTS making the most efficient and economic demand management actions.

Disadvantages of the Proposal

Transco NTS does not envisage any disadvantages.

Proposed legal text

It is proposed that Section I 5 of UNC Offtake Arrangements Document is amended by the addition of a new sub-paragraph 5.1.4 (with the existing 5.1.4 being re-numbered 5.1.5) to read:

"5.1.4 Each DNO shall, in respect of each Day, provide to Transco NTS, by 18:00 hours on the Preceding Day, a statement of the DNO's best estimate of the aggregate daily gas flows at Interruptible LDZ Supply Points in each LDZ that will be available for Interruption on that Day."

The implications of implementing the Modification Proposal on security of supply, operation of the Total System and industry fragmentation

Transco NTS does not believe this Proposal, if implemented, would have implications for industry fragmentation.

Transco NTS believes that, if implemented, this Modification Proposal will increase security of supply within DNs by ensuring that interruption requests are more effective thereby minimising the risk that adequate pressures to DNs cannot be maintained.

The implication for Transporters and each Transporter of implementing the Modification Proposal, including

a) implications for operation of the System:

This Proposal will ensure that Transco NTS has access to the same type of interruption availability information as prior to Network sales. This will ensure that transportation capacity management actions are taken in light of the best available information, thereby

assisting Transco NTS making the most efficient and economic demand management actions.

b) development and capital cost and operating cost implications:

Transco NTS believes this Proposal, if implemented, would have no development or capital cost implications.

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

Transco NTS does not believe this Proposal, if implemented, requires it to recover any additional costs.

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

Transco NTS does not believe this Proposal, if implemented, would have any consequences on price regulation.

The consequence of implementing the Modification Proposal on the level of contractual risk of each Transporter under the Code as modified by the Modification Proposal

Transco NTS does not envisage any such consequences.

The high level indication of the areas of the UK Link System likely to be affected, together with the development implications and other implications for the UK Link Systems and related computer systems of each Transporter and Users

Transco NTS does not envisage any such consequences.

The implications of implementing the Modification Proposal for Users, including administrative and operational costs and level of contractual risk

Transco NTS does not envisage any such consequences. No systems or process impacts have been identified.

Proposed implementation Timetable

Transco NTS believes the following timetable should be adopted:

Joint Office of Gas Transporters 0045 : Provision of Available Interruption Information v2.0

Proposal sent to Joint Office	10/08/2005
Modification Panel agree consultation timetable	18/08/2005
DMR issued for consultation	01/09/2005
Close out of representations	22/09/2005
Draft FMR issued to Joint Office	10/10/2005
Draft FMR Review	12/10/2005
FMR issued to Modification Panel	12/10/2005
Modification Panel decide upon recommendation	20/10/2005

Code Concerned, sections and paragraphs

UNC OAD Section I paragraph 5

Proposer's Representative

Andrew Fox (National Grid Transco - UKT)

Proposer

Paul Roberts (National Grid Transco - UKT)

Signature

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