

URGENT MODIFICATION PROPOSAL

TITLE: Amendments to operation of Daily Capacity Auctions

DATE: 10th December 1998

PROPOSED IMPLEMENTATION DATE: 11th December 1998

TYPE: Urgent

JUSTIFICATION: Failure to amend the current Code rules means that the operation of the system is overly restrictive.

NATURE & PURPOSE OF MODIFICATION PROPOSAL: To ensure that as many participants are active in the market and that liquidity is maintained at all periods the following changes are required:

a) That the timeslot for entering bids must be amended to run from 06.00 to 13.00 hrs on D-1 - thereby giving Shippers maximum flexibility in handling the workload.

b) That Transco issue ANS messages when they advise initial allocations and in the event of any subsequent scaling back of allocated Secondary Capacity - thereby ensuring all capacity allocations are readily identified and actioned.

c) That Transco allow bids for future gas days to be input during the daily bid period - again to increase activity in the market.

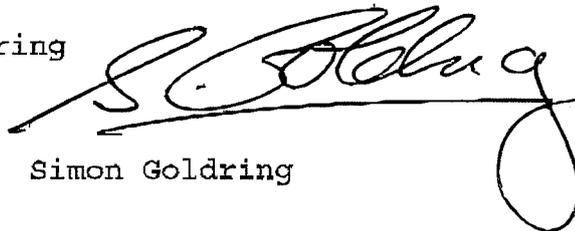
FURTHERING RELEVANT OBJECTIVES: Adopting this proposal will ensure that more activity in the secondary Capacity markets will occur, thereby increasing the usage of Transco's system, hence furthering the efficient and economic operation of the system.

CONSEQUENCE OF NOT MAKING THIS CHANGE: Available capacity may not be utilised on all days.

AREA OF NETWORK/CODE CONCERNED: Section B2

ORGANISATION: British Gas Trading Limited

PROPOSER: Simon Goldring



PROPOSERS REPRESENTATIVE: Simon Goldring

MOD PANEL SECRETARY USE:

0306