

**Draft Modification Report**  
**Amendment of Nomination Timetable**  
**Modification Reference Number 0016(0743)**

Version 1.0

This Draft Modification Report is made pursuant to Rule 7.3 of the Modification Rules and follows the format required under Rule 9.6.

**1. The Modification Proposal**

To allow Renominations for Daily Metered output nominations from 15:00 (D-1). This would require revision of the timetable, as shown at C1.2, as follows:-

DM Output Nomination Time 13:00

NDM Output Nomination Time 14:00

Input Nomination Time 14:30

Scheduling Start Time \*\*\*

Nomination Finalisation Time \*\*\*

Renomination Start Time 15:00

\*\*\* We understand that the designated times for these activities are no longer relevant to internal processes carried out by Transco

**2. Transco's Opinion**

NDM attribution is calculated by a deductive process (ie. total system demand less DM nominations). Where there are inaccuracies in the DM Nominations this leads to inherent inaccuracies in the initial forecast of NDM demand.

If this Proposal results in the provision of more accurate DM nominations before the Gas Day, then the accuracy of the NDM attribution process would be improved.

The existing time period between Input Nomination deadline (16.00 D-1) and Renomination Start Time (17.30 D-1) was originally required to allow Transco time to schedule the nominations (ie. ensure that the available capacity is shared between Users who request it, according to the scheduling rules). However, this practise has to most intents been automated and therefore takes minimal time to complete. Therefore minimising the time interval between receipt of initial nominations and renomination start time would seem sensible if this would result in improved information provision.

Therefore, Transco is in support of making this change as it may lead to an improvement to the accuracy of DM nominations ahead of the gas day, while generating no or minimal incremental system costs.

**3. Extent to which the proposed modification would better facilitate the relevant objectives**

The Proposal might improve the quality of DM nominations ahead of the Gas Day, ie the Proposal will enable Users to submit more accurate information on the expected offtakes of DM Supply Points ahead of the Gas Day. Improved information provision would better

facilitate the GT Licence Condition 9.1 (a) "the efficient and economic operation by the licensee of its pipe-line system."

The Proposer also considers that the Proposal would better facilitate Condition 9.1 (c) "so far as is consistent with sub-paragraphs (a) and (b), the securing of effective competition between relevant shippers and between relevant suppliers."

**4. The implications for Transco of implementing the Modification Proposal , including a) implications for operation of the System:**

Transco anticipates that the implementation of this Proposal would require no changes in operational procedures.

**b) development and capital cost and operating cost implications:**

Both the Input Nomination and Renomination Start Times are parameterised in AT-Link and Gemini, so there are minimal capital and operating 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 is not proposing to recover any development or capital costs arising from the implementation of this Proposal.

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

Transco does not envisage any such consequences.

**5. The consequence of implementing the Modification Proposal on the level of contractual risk to Transco under the Network Code as modified by the Modification Proposal**

Transco does not envisage any such consequences.

**6. The development implications and other implications for computer systems of Transco and related computer systems of Users**

Changes to Gemini and AT-Link systems are considered to be minor since Renomination Start Times are a parameterised function within both systems.

**7. The implications of implementing the Modification Proposal for Users**

In the Proposal the Proposer states -

"There is a period during the day where it is not possible to submit nominations or re-nominations. As this is currently structured the closed period for DM nominations is from 13:00 (D-1) until 17:30 (D-1). This means that Users will submit their initial nomination on the basis of information obtained from their customers before that time. If this information is not available by this deadline, Users will be obliged to submit a zero, or best estimate, nomination in the absence of more accurate information. Users do not have an opportunity to amend or update their DM nominations later within D-1 within normal "office hours", particularly after publication of the NDM attribution. Unless Users are operating 24/7, this update would not be effected until the next morning, well "within day"."

This proposal will enable Users to renominate from 15:00 D-1

**8. The implications of implementing the Modification Proposal for Terminal Operators, Consumers, Connected System Operators, Suppliers, producers and, any Non-Network Code Party**

Transco has not identified that the Proposal will have any impact on any User or Third Party systems or processes. No issues for APX have been identified in relation to its role as On the day Commodity Market (OCM) operator.

**9. Consequences on the legislative and regulatory obligations and contractual relationships of Transco and each User and Non-Network Code Party of implementing the Modification Proposal**

Transco does not envisage any such consequences.

**10. Analysis of any advantages or disadvantages of implementation of the Modification Proposal**

The Proposer puts forward the following advantages and disadvantages of the Proposal

**Advantages:**

- As NDM attribution is calculated by a deductive process, total system demand less DM nominations, this leads to inherent inaccuracies in the initial forecast of NDM demand. If Users are able to (and do) submit DM Nominations later in the day (D-1) the accuracy of NDM attribution would be greatly improved and there would be less variation to NDM attribution within day.

**Disadvantages:**

- No disadvantages were identified in the Proposal.

**11. Summary of the Representations (to the extent that the import of those representations are not reflected elsewhere in the Modification Report)**

Representations are now sought.

**12. The extent to which the implementation is required to enable Transco to facilitate compliance with safety or other legislation**

Transco has not identified such a requirement.

**13. The extent to which the implementation is required having regard to any proposed change in the methodology established under Standard Condition 4(5) or the statement furnished by Transco under Standard Condition 4(1) of the Licence**

Transco is unaware of any such requirements

**14. Programme of works required as a consequence of implementing the Modification Proposal**

Update AT-Link Input Nomination Time from 16:00 to 14:30

Update AT-Link Renomination Start Time from 17:30 to 15:00

Update Nomination Approval batch process run time.

**15. Proposed implementation timetable (including timetable for any necessary information systems changes)**

Draft Modification Report circulated	-	10 March 2005
Consultation Period Ends	-	31 March 2005
Final Modification Report Issued	-	21 April 2005
Ofgem decision expected	-	Mid May 2005
Network Code implementation	-	1 July 2005

**16. Recommendation concerning the implementation of the Modification Proposal**

Transco recommends the implementation of this Proposal

**17. Text**

*Amend Paragraph C 1.2 to read as follows:*

1.2 Nomination Timetable

The “**DM Output Nomination Time**”, “**NDM Output Nomination Time**”, “**Input Nomination Time**” and “**Renomination Start Time**” in relation to the Gas Flow Day shall be the following respective times on the Preceding Day:

DM Output Nomination Time:	13:00
NDM Output Nomination Time:	14:00
Input Nomination Time:	14:30
Renomination Start Time:	15:00

***Representations are now sought in respect of this Draft Report and prior to the Transporters finalising the Report***

Signed for and on behalf of Transco.

Signature:

**Richard Court**  
**Commercial Frameworks Manager**  
**NT & T**

Date: