

Representation For. 0038

"Provision of Information to Support Development of the NTS Investment Programme"
Version 1.0

Date of Communication: 17/08/2005
External Contact: Beverley Grubb (Scottish And Southern Energy plc)
Slant: For
Strictly Confidential: No

Abstract

17th August 2005

Dear Julian

Modification Proposal 0038: Provision of Information to Support Development of the NTS Investment Programme

Thank you for providing SGN with the opportunity to respond to the above modification proposal.

This proposal was raised by NGT UKT. It seeks to enhance current UNC provisions relating to the exchange of planning information between DNO Users, NTS direct connects and Transco NTS. SGN fully supports this proposal. We believe this would allow Transporters to ensure the most economic and efficient planning and investment decisions are made, thus facilitating the relevant objectives, particularly in relation to the economic and efficient operation and investment in the total system. The information exchange is in line with the PS3 process which existed prior to the DN sale. This fed in to the 5 year investment programme and is seen as a key part of the Safety Case compliance process.

Whilst SGN is fully supportive of the proposal and supports implementation, there are a few aspects that we feel require further consideration. We believe this can be addressed in the Offtake Workstream. Whilst Transco NTS will provide DNO Users with forecasts of availability of NTS flat capacity and flexibility capacity and assured Offtake pressure where they "have not already been allocated capacity entitlements" SGN believe it would have also been helpful to receive an indication of future availability over and above that requested or allocated at offtakes through the OCS. Such information was previously made available to DNs under the PS3 process in relation to Offtake (Flexibility) Capacity. We believe the continued provision of this information would help improve the accuracy and efficiency of the planning process and capacity requests to Transco NTS. We believe this would also help ensure a more transparent process of allocation.

SGN has previously expressed concern at the proposed timing in relation to exchange of information. This has recently been discussed at Workstream and is on the agenda for the Offtake Workstream in September. Of particular concern is the timing of CV data. CV data is not provided by Transco NTS until July. DNs require at least 6 weeks to process this information in order to determine capacity and pressure requests and submit their applications. Capacity and pressure applications must be with Transco NTS by 31 July. SGN has argued these timescales are unreasonable and

unworkable. They are much tighter than was previously allowed under the PS3 process. This is not a concern for this year as specific dates have been set out in the proposal for 2005, however is a concern for next year. SGN plan to work with Transco NTS and other Transporters to clarify and resolve these concerns in time for next year. If as a result of these discussions we believe changes to the UNC are required we believe there is sufficient time to raise a proposal to resolve this particular aspect.

I hope you find this response helpful.

Regards

Beverley Grubb
Scotia Gas Networks