

**Draft Modification Report**  
**Provision of Available Interruption Information**  
**Modification Reference Number 0045**

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**

The Proposal was as follows:

"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."

**2. Extent to which implementation of the proposed modification would better facilitate the relevant objectives**

The Proposer considered 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."

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

The Proposer did "not believe this Proposal, if implemented, would have implications for industry fragmentation."

The Proposer also believed that, if implemented, this Modification Proposal would "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."

**4. The implications for Transporters and each Transporter of implementing the Modification Proposal , including**

**a) implications for operation of the System:**

The Proposer suggested that implementation would ensure that Transco NTS had "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:**

The Proposer believed that "this Proposal, if implemented, would have no development or capital cost implications." It is possible that there would be a small impact on operating costs in the Distribution Control Centre.

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

The Proposer did not believe that implementation of this Proposal would require it "to recover any additional costs."

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

The Proposer did not "believe this Proposal, if implemented, would have any consequences on price regulation."

**5. 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**

The Proposer did not "envisage any such consequences."

**6. 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**

The Proposer did not "envisage any such consequences."

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

The Proposer did not "envisage any such consequences." and stated that no "systems or process impacts have been identified."

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

No such implications have been identified.

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

No such consequences have been identified.

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

**Advantages of the Proposal**

The Proposer considered "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**

The Proposer did not "envisage any disadvantages"

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

Representations are now invited.

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

No such requirements have been identified.

**13. The extent to which the implementation is required having regard to any proposed change in the methodology established under paragraph 5 of Condition A4 or the statement furnished by each Transporter under paragraph 1 of Condition 4 of the Transporter's Licence**

No such requirements have been identified.

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

No programme of works has been identified.

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

The Proposer suggested an implementation date of 1 November 2005 so that the daily information identified within this Proposal would be provided from the onset of the 2005/6 Winter.

**16. Implications of implementing this Modification Proposal upon existing Code Standards of Service**

No such implications have been identified.

**17. Recommendation regarding implementation of this Modification Proposal and the number of votes of the Modification Panel**

**18. Legal Text**

NB with the consent of the Proposer, minor textual changes have been made in order to clarify the proposed obligations on the DNO.

## **UNIFORM NETWORK CODE - OFFTAKE ARRANGEMENTS DOCUMENT**

### **SECTION I**

#### **NTS OPERATIONAL FLOWS**

*Add new paragraph 5.1.4 and renumber existing paragraph 5.1.4 as 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 its best estimate of the aggregate daily gas flows at Interruptible LDZ Supply Points in each of its LDZs that will be available for Interruption on that Day.

5.1.5 In this paragraph 5, a reference to Interruption in respect of an Exit Zone is to Interruption of LDZ Interruptible Supply Points which will reduce the flow of gas at Offtakes in that Exit Zone.”

Subject Matter Expert sign off:

*I confirm that I have prepared this modification report in accordance with the Modification Rules.*

Signature:

Date :

Signed for and on behalf of Relevant Gas Transporters:

**Tim Davis**  
**Chief Executive, Joint Office of Gas Transporters**

Signature:

Date :