

17/02/2010

Dear Colleague,

**NOTICE OF IMPLEMENTATION
MODIFICATION PROPOSAL No: 0278**

“Amendments to NTS Shrinkage Reporting Process”

Please note that Modification Proposal No 0278 will be implemented with effect from 06:00 hours on 23/02/2010. The Final Modification Report, Version 3.0, was signed by Ofgem on 16/02/2010.

The new Code text resulting from this Modification follows:

Modified Text:

UNIFORM NETWORK CODE – TRANSPORTATION PRINCIPAL DOCUMENT

SECTION N – SHRINKAGE

UNC Section N

Amend paragraphs 2.1.1, 2.2.2, 2.2.3 and 2.3.2 to read as follows:

- 2.1.1 For the purposes of establishing the “**NTS Shrinkage Factor**”, National Grid NTS will estimate each Day, the quantity of NTS own use gas, NTS unaccounted for gas and CV Shrinkage on the following Day.
- (a) ~~each Day, the quantity of NTS own use gas, NTS unaccounted for gas and CV Shrinkage on the following Day;~~
 - (b) ~~by the end of each month, the average daily quantity of NTS unaccounted for gas (other than CV shrinkage) in the following month.~~
- 2.2.2 National Grid NTS will provide to Users not later than 1 March in the Preceding Formula Year, for each month in the Formula Year, a provisional forecast of the NTS Shrinkage Factor to apply in such month.
- (a) ~~not later than 1 September in the Preceding Year, for each month in the Gas Year, a provisional forecast of the NTS Shrinkage Factor to apply in such month;~~
 - (b) ~~not later than the last Day of each month, for each Day in the following month, a forecast of the NTS Shrinkage Factor to apply in respect of such Day~~

2.2.3 The forecasts of NTS Shrinkage Factors under paragraph 2.2.2 are indicative only and will not bind National Grid NTS, the NTS Shrinkage Provider or Users

2.3.2 National Grid NTS will assess NTS shrinkage for each Day in each month, and provide to Users details of the average assessed NTS shrinkage for Days in that month, not later than the ~~15th~~ 16th Day of the following month

Yours sincerely,

John Bradley
Modification Panel Secretary