Joint Office of Gas Transporters

Stage 02: Workgroup Report

What stage is this document in the process?

01 Proposal

02 Workgroup Report

03 Draft Modification Report

04 Final Modification Report

0390:

Introduction of a Supply Point Offtake Rate Review and Monitoring Process.

Implementation of this Modification Proposal would require Transporters and Shippers to review Supply Point Offtake Rates on an annual basis to ensure their continued validity. The Proposal would also require Shippers to ensure they have in place a process to monitor instances of a reduction in the maximum offtake rate and where necessary apply for a revised Supply Point Offtake Rate accordingly.

The Proposer recommends that this modification should be subject to development.

High Impact:
N/A

Medium Impact:
Transporters, Shippers and End Consumers.

Low Impact:

Contents

About this document:

The purpose of this report is make a recommendation to the Panel, to be held on 20 October 2012, on whether Modification 0390 is sufficiently developed to proceed to the Consultation Phase and to submit any further recommendations in respect of the definition and assessment of this modification.

Any questions?

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1 Summary

Is this a Self-Governance Modification

This is not a self-governance modification.

Why Change?

Concerns have been raised in relation to the current incentives in place to obligate Shippers to provide Supply Point Offtake Rates (SPORs) that are not overstated – i.e. in excess of actual or potential usage. Capacity charges are broadly independent of the contracted SPOR and so do not provide an incentive against overstatement.

SPOR values are one of the factors considered by DNOs for network planning purposes. Overstated SPORs may lead Transporters to incur unnecessary investment costs to meet apparent capacity requirements that are not, in reality, required.

URL Link to Ofgem decision letter on SGN's GDPCR Capex re-opener.

http://www.ofgem.gov.uk/Networks/GasDistr/GDPCR7-13/Documents1/SGN_LTS_Authority_Decision_letter.pdf

Solution

This UNC Modification Proposal seeks to introduce new obligations on both Transporters and Shippers to review Supply Point Offtake Rates for Daily Metered Supply Points on an annual basis to ensure they accurately reflect end consumer capacity requirements.

This UNC Modification would also introduce obligations on Shippers to apply for a revised SPOR where they became aware that the maximum offtake rate at a Registered DM Supply Point Component may be or has been subject to any reduction and also to take all reasonable steps to ensure they become aware of any such reduction in the SPOR.

It is not the intention of this UNC Modification proposal to cause SPORs to fluctuate on an annual basis linked to actual usage, but to ensure the SPOR is an accurate reflection, year on year, of potential maximum hourly capacity requirements.

Impacts & Costs

The SPOR annual review process would place additional costs directly on Transporters and Shippers to ensure compliance with the additional obligations this modification would introduce.

There would be an additional cost in relation to the requirement placed upon Transporters to generate individual Shipper SPOR reports detailing contractual values against actual usage values.

Shippers would incur additional costs linked to the implementation of internal processes to review Transporter generated SPOR reports. However, in relation to ensuring Shippers becoming aware of reductions in the SPOR, the UNC already requires Shippers to ensure they have processes in place to monitor increases in the maximum offtake rate at DM Supply Points and therefore incorporating a SPOR reduction monitoring process may not introduce additional cost.

Consumers would incur additional costs in responding to issues raised regarding the level of SPORs. For some, this may potentially create a significant cost, for example if it

Implementation

No specific implementation timescale is proposed.

The Case for Change

Implementation of this modification would help to ensure appropriate investment signals are received by the DNs. This would support DNO compliance with licence obligations in respect of efficient and economic network development.

Recommendations

The Workgroup considers that the modification is sufficiently developed and should now proceed to Consultation.

2 Why Change?

During the discussions held within the UNC Review Group 0329 (Review of Industry Charging and Contractual Arrangements - DM Supply Point Offtake Rates (shqs) and DM Supply Point Capacity (soqs)) SGN provided evidence which indicated that within the three Local Distribution Zones (Scotland, South East and Southern) operated by SGN there were a number of Daily Metered Supply Points which had either exceeded their contracted SPOR or had, over the previous gas year, used less than their contracted SPOR.

Gas Distribution Network Operators utilise Supply Point Offtake Rate information provided by gas Shippers to meet certain legislative requirements placed upon them to ensure the operation of a safe and economic gas transportation system. Requirements stipulated under the Gas Safety (Management) Regulations and reflected in transporters' safety cases set out arrangements for the minimisation of the risk of a gas supply emergency.

Network planning and analysis activities are a key element through which transporters demonstrate to Ofgem and the Health & Safety Executive (HSE) such arrangements to meet these regulatory legislative requirements. Network planning and analysis use complex modelling techniques to simulate the performance of the gas transportation networks and any alterations required to develop such networks. Gas transporters need to be able to demonstrate to both Ofgem and the HSE that the simulation models used in these processes are fully robust and can be fully relied upon to meet the requirements placed upon the gas network by Shippers and ultimately end users.

The SPOR is a key data element used in the construction and operation of network analysis models and the importance placed upon accurate SPORs is reflected in the recognition that DM Supply Points may place a non standard or disproportionate influence on the gas network compared to Non Daily Metered Supply points.

Where the SPOR provided via the Shipper is too high compared to the actual required offtake rate, this may result in:

- Sterilisation of network system capacity
- Unnecessary general network reinforcement resulting in unnecessary cost to the industry as a whole.
- Unnecessary specific network reinforcement resulting in unnecessary cost to the end consumer.

Where the SPOR provided via the Shipper is too low compared to the actual required offtake rate, this may result in:

- Security of supply issues due to the gas network not being able to cope with the demand placed upon it.
- Safety issues related to failure to supply risk for the wider network.

Current UNC requirements in relation to SPORs.

UNC TPD Section G 5.3 outlines the current obligations on Shippers to provide Supply Point Offtake Rates in relation to Daily Metered Supply Points. The SPOR is defined as the maximum instantaneous rate in kWh/hour that the User is permitted to offtake gas from the Total System at a DM Supply Point Component. Users are currently required to submit revised SPORs when they are:

1. submitting a Supply Point Nomination in respect of a Proposed Supply Point which includes a DM component;
2. when submitting a Capacity Revision Application (whether to increase or in the Capacity Reduction Period to reduce its Supply Point Capacity) in respect of a Registered DM Supply Point Component; and
3. whenever the User becomes aware that the maximum offtake rate at a Registered DM Supply Point Component may be or has been subject to any increase.

Users are also required, when applying for a revised SPOR, to estimate the maximum offtake rate, in good faith and after appropriate enquiries with the customer using reasonable skill and care. The estimate used in such application should not be less than nor substantially more than such estimate (UNC TPD Section G 5.3.3).

Shippers are further required to take all reasonable steps to secure that they become aware of increases in the maximum offtake rate before and (in any event) as soon as reasonably practical after such event has occurred.

It is clear from the current UNC obligations that decreases (as opposed to increases) in the maximum offtake rate at a Supply Point may occur without a direct requirement for the User to amend the SPOR or to take reasonable steps to ensure that they become aware of such reduction at a DM Supply Point. In order to ensure SPOR decreases are reflected against a User's Registered DM Supply Point Component this UNC Modification Proposal looks to amend the current provisions within UNC TPD Section G 5.3 to ensure SPOR reductions are treated in the same manner as SPOR increases.

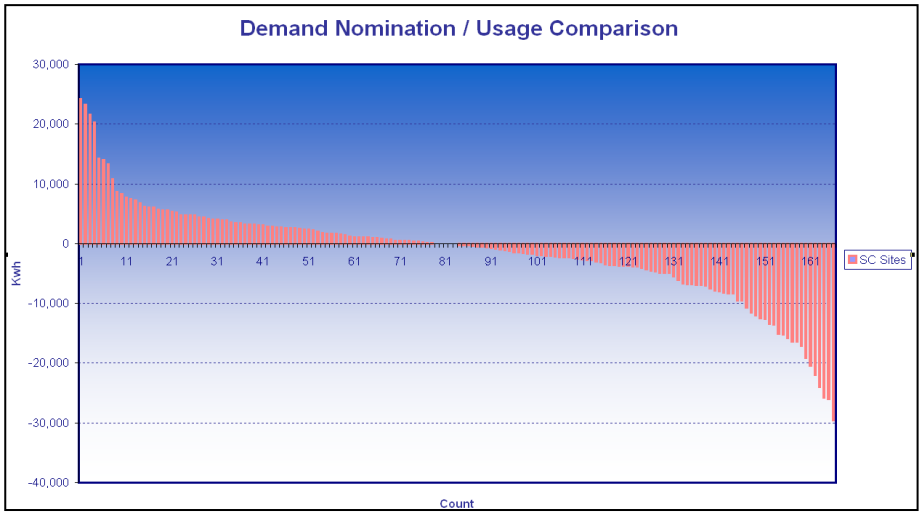
There are currently no obligations specified within the UNC which require Transporters to review SPORs in conjunction with Shippers to ensure the contracted SPOR figure is reflective of actual required hourly consumption at a DM Supply Point. Transporters currently have access (as do Shippers for their Registered DM Supply Points) to DM Supply Point hourly consumption for DM Supply Points located within their respective footprints. Analysis of this DM hourly consumption by SGN has indicated that actual hourly consumption may differ from the SPOR as registered against the Supply Point in the Sites and Meters database to the extent that SPORs may be significantly greater than or less than such registered SPOR value.

To ensure that Transporters are in possession of accurate registered contractual SPOR information (which can be reflected within network analysis models for the purposes developing the gas network) the solution detailed within this Modification Proposal would require Transporters and Shippers to review, on an annual basis, actual hourly consumption associated with DM Supply Points against the Supply Point Offtake Rate registered by the User under the provisions detailed in Section G.

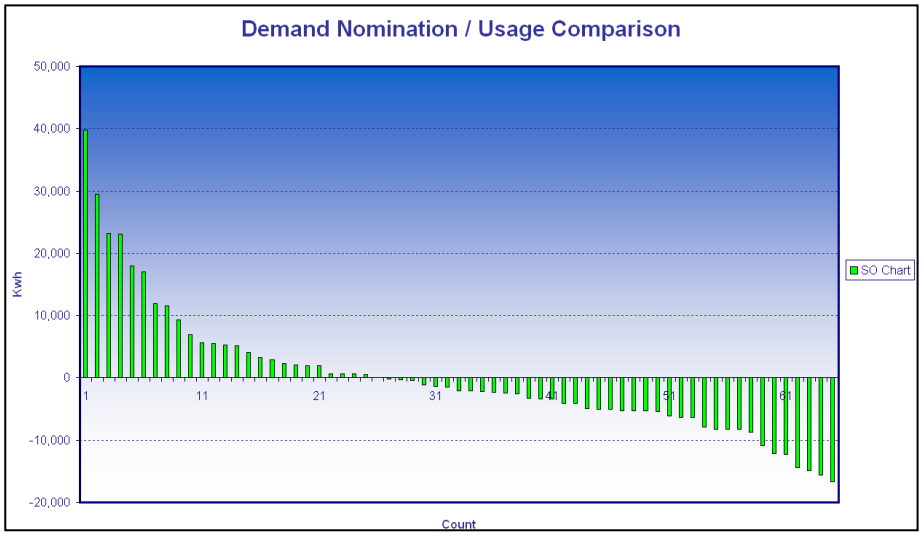
Registered Supply Point Offtake Rate Information.

The graphs detailed below indicate actual consumption at DM Supply Points within SGN's respective LDZs compared to the registered Supply Point Offtake Rate.

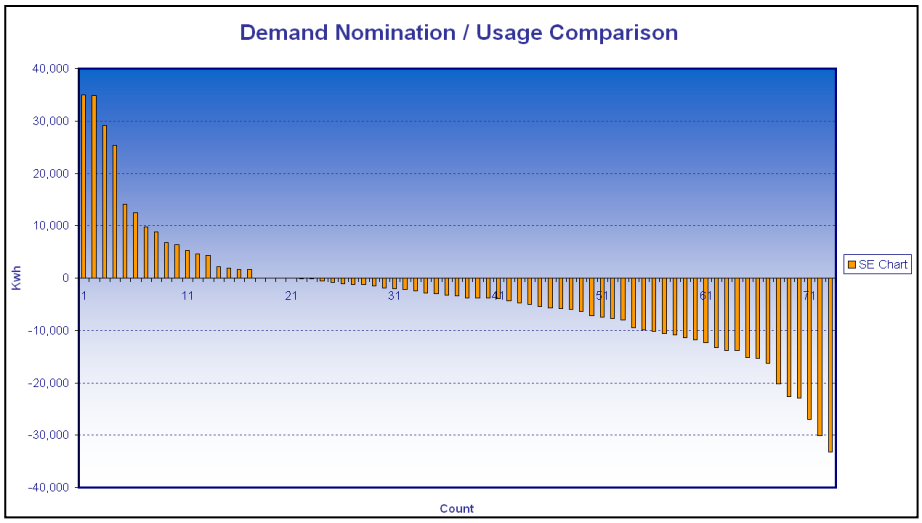
1. Scotland LDZ:



2. Southern LDZ:



3. South Eastern LDZ:


Demand Nomination / Usage Comparison
40,000
30,000
20,000
10,000
0
-10,000
-20,000
-30,000
-40,000
Kwh
1
11
21
31
41
51
61
71
Count
SE Chart

3 Solution

This UNC Modification proposes two complementary solutions to the issue identified relating to the provision of accurate and usage reflective SPOR information at Daily Metered Supply Points by Users.

Proposed revised UNC Obligation obligations.

Part 1:

The first part of the solution focuses on the revision of existing Supply Point Offtake Rates at DM Supply Points by extending the existing provisions specified in UNC TPD Section G 5.3.2 to obligate Shipper Users to apply for a revised SPOR where the User becomes aware of a decrease in the required maximum offtake rate. Current provisions also detail in UNC TPD Section G 5.3.4 a requirement on Users to monitor increases in the maximum offtake rate as a result of any changes in the size or nature of an end Consumer's Plant or the use of such Plant as soon as reasonably practicable after such increase occurs. This would be extended to include any decreases in the SPOR at a registered DM Supply Point.

Part 2:

The second part of the solution would introduce an additional obligation on Transporters and Shippers to review, on an annual basis, actual hourly consumption at DM Supply Points and compare such actual consumption data against a User's registered Supply Point Offtake Rate at the relevant DM Supply Point. Such a review would be facilitated via a report produced by Transporters which would detail the highest and lowest actual hourly consumption recorded at Supply Meter Points contained within a DM Supply Point Component throughout the previous winter period. The report would also detail the current registered Supply Point Offtake Rate provided by the relevant registered User of the DM Supply Point and the difference between this figure and the highest recorded actual hourly consumption. Where the Transporter considers that the registered SPOR differs significantly, either to the extent that it is significantly less than or significantly more than the highest actual hourly consumption at the DM Supply Point, the Transporter will indicate on the report to Users such a difference. It is recognised that spikes in hourly consumption may not necessarily be representative of normal operating conditions or requirements at a Supply Point and may, for example, be indicative of ad-hoc testing schedules for consumer's plant. Such information may be taken into consideration by the Transporters where this is made known by the User. However it should still be recognised that the SPOR is defined as the maximum instantaneous rate in kWh/hour that the User is permitted to offtake gas from the Total System.

The registered User at the relevant DM Supply Point, once in possession of the report, would discuss with the relevant end Consumer at the DM Supply Point the information provided within the report relating to the actual consumption recorded compared to the registered SPOR. Where it is determined by the registered User after such discussion that the SPOR requires to be revised to reflect required actual consumption, the registered User will apply for a revised Supply Point Offtake Rate accordingly. If the registered User determines after such discussion with the end Consumer that it

would not be appropriate to amend the SPOR in line with the information provided on the Transporter SPOR report or not to amend the SPOR in any event, then the User would be obliged to provide a suitable response specifying the reason or reasons to the Transporter why the SPOR would remain static.

Detailed business rules in relation to Part 2 of the proposal.

1. Transporters will derive a "SPOR" report on an annual basis.
2. The report will be compiled in April of each year by the Transporter after the current Gas Year's winter.
3. The report will be provided to the relevant Shipper by the Transporter by the end of April each year.
4. The report will specify, per DM Supply Point (where the data is available and the Transporter considers that the difference between SPOR and the highest recorded hourly actual consumption rate is material to the operation to the gas network):

    - The current registered Supply Point Offtake Rate (kWh / hour).
    - The highest hourly consumption value in kWh/hour recorded by the Transporters' relevant Daily Metered Service Provider throughout the current gas year's winter.
    - Information required to identify the specific DM Supply Point (mprn, supply point id and address).
    - Any further detail relating to the DM Supply Point the Transporter considers it would be appropriate to provide (and is permitted to provide) to assist the User during the review.
5. On a receipt of the report, Shippers shall enter into discussions with their end consumers or their representatives to discuss amending the SPOR based on the information provided by the Transporters in the SPOR report.
6. Shippers will provide a report (the Shipper SPOR report) to the Transporters within 3 calendar months in response to the Transporter SPOR report specifying the following:

    - For each DM Supply Point specified on the Transporter SPOR report; a planned revised SPOR for each DM Supply Point.
    - Where the planned revised SPOR differs from the highest actual hourly consumption, the Shipper shall provide a reason for such deviation.
    - Where the Shipper does not plan to submit a revised SPOR in any event, the Shipper shall provide information to the Transporter setting out detailed reasons for this decision.
7. Where the Shipper has identified that a revised SPOR is required the Shipper shall apply for a revised SPOR utilising the existing Capacity Revision Application process in line with the planned revised SPOR.
8. The Shipper will where applicable apply for a revised SPOR (by submitting a Capacity Revision Application) prior to the end of August in the current gas year. Where a reduction in the SPOR will require a reduction in the Supply Point Capacity the Capacity Reduction Period parameters will still apply, albeit the associated Capacity Revision Application should be submitted by the end of January in the following Gas Year.

9. The existing provisions detailed in UNC TPD Section G 5 relating to a Capacity Revision Application, Capacity Reduction Period and the Absolute Requirement (as specified in UNC TPD Section G 5.4) will remain unchanged.
10. For the avoidance of doubt NTS Supply Point Components are excluded from all provisions which would be introduced by the implementation of this UNC Modification Proposal.

4 Relevant Objectives

Implementation may better facilitate the achievement of **Relevant Objectives a, c, and f.**

Proposer's view of the benefits against the Code Relevant Objectives	
Description of Relevant Objective	Identified impact
a) Efficient and economic operation of the pipe-line system.	Yes
b) Coordinated, efficient and economic operation of (i) the combined pipe-line system, and/ or (ii) the pipe-line system of one or more other relevant gas transporters.	No
c) Efficient discharge of the licensee's obligations.	Yes
d) Securing of effective competition: (i) between relevant shippers; (ii) between relevant suppliers; and/or (iii) between DN operators (who have entered into transportation arrangements with other relevant gas transporters) and relevant shippers.	No
e) Provision of reasonable economic incentives for relevant suppliers to secure that the domestic customer supply security standards… are satisfied as respects the availability of gas to their domestic customers.	No
f) Promotion of efficiency in the implementation and administration of the Code	Yes

Better facilitates Relevant Objective (a) Efficient and economic operation of the pipe-line system.

Reduced SPORs may result in the option for Transporters to reduce gas network operating pressures. This may facilitate reduced shrinkage volumes, thereby facilitating more economic operation of the pipeline system.

Understated SPORs may result in the gas network being designed and planned to provide capacity that is insufficient to meet Users' actual requirements. Where such situations occur an adverse situation may arise on the gas network requiring a reactionary response from the Transporter that may result in system operation costs not otherwise required were accurate information to be provided initially.

Better facilitates Relevant Objective (c) Efficient discharge of the licensee's obligations.

There are several references to the efficient and economic development of the relevant pipe-line system throughout the Transporters' licences. Provision of more accurate information by Shippers to Transporters relating to operational capacity requirements would facilitate efficient discharge of the relevant licence conditions.

Implementation of this modification would provide a process to facilitate the provision of more accurate, actual or intended usage reflective, SPORs by Users. This would enable Transporters to effectively plan the development of the distribution network system on a more efficient and economic basis. By avoiding investment in the system to meet overstated SPORs the Transporters would be utilising capital investment in a more efficient and economic manner. Also, by facilitating a reduction in SPORs, where capacity is not required, the Transporters would be able to make available such capacity to other Users thus utilising existing capacity more effectively and avoiding capacity sterilisation.

More accurate capacity requirements communicated by Users to the DNs could result in more accurate and reflective NTS Exit capacity requirements. Accurate NTS Exit Capacity requirements would allow National Grid NTS to plan their pipeline system in a more efficient and economic manner and so better meet their licence obligations in this respect.

Better facilitates Relevant Objective (f) Promotion of efficiency in the implementation and administration of the Code.

The evidence presented by SGN indicates that, notwithstanding the existing UNC obligations, some SPORs may be understated. Introducing the proposed reports with respect to understated SPORs could therefore promote efficiency in the implementation of existing obligations. This could include improved consumer understanding and potentially a greater willingness to release capacity, for the benefit of all network users.

5 Impacts and Costs

Costs

Indicative industry costs – User Pays
Classification of the proposal as User Pays or not and justification for classification
Not User Pays. Implementation of this proposal may increase direct costs to Transporters in relation to the provision of new reports and analysis of SPOR information however the modification does not envisage any new services or costs which would be attributable to the Transporters' Agency.
Identification of Users, proposed split of the recovery between Gas Transporters and Users for User Pays costs and justification
N/A
Proposed charge(s) for application of Users Pays charges to Shippers
N/A
Proposed charge for inclusion in ACS – to be completed upon receipt of cost estimate from xoserve
N/A

Impacts

Impact on Transporters' Systems and Process	
Transporters' System/Process	Potential impact
UK Link	• No
Operational Processes	• Yes
User Pays implications	• No

Impact on Users	
Area of Users' business	Potential impact
Administrative and operational	• Yes
Development, capital and operating costs	• Yes
Contractual risks	• No
Legislative, regulatory and contractual obligations and relationships	• Yes

Impact on Transporters

Impact on Transporters	
Area of Transporters' business	Potential impact
System operation	• Yes
Development, capital and operating costs	• Yes
Recovery of costs	• No
Price regulation	• No
Contractual risks	• Yes
Legislative, regulatory and contractual obligations and relationships	• Yes
Standards of service	• No

Impact on Code Administration	
Area of Code Administration	Potential impact
Modification Rules	• No
UNC Committees	• No
General administration	• Yes

Impact on Code	
Code section	Potential impact
UNC TPD Section G 5	Yes – see suggested legal text.

Impact on UNC Related Documents and Other Referenced Documents	
Related Document	Potential impact
Network Entry Agreement (TPD I1.3)	None
Network Exit Agreement (Including Connected System Exit Points) (TPD J1.5.4)	Yes. Where a NExA exists the agreement would need to reflect the change in SPOR / SPC.
Storage Connection Agreement (TPD R1.3.1)	None
UK Link Manual (TPD U1.4)	None
Network Code Operations Reporting Manual (TPD V12)	None
Network Code Validation Rules (TPD V12)	None

Impact on UNC Related Documents and Other Referenced Documents	
ECQ Methodology (TPD V12)	None
Measurement Error Notification Guidelines (TPD V12)	None
Energy Balancing Credit Rules (TPD X2.1)	None
Uniform Network Code Standards of Service (Various)	None

Impact on Core Industry Documents and other documents	
Document	Potential impact
Safety Case or other document under Gas Safety (Management) Regulations	None
Gas Transporter Licence	None

Other Impacts	
Item impacted	Potential impact
Security of Supply	None
Operation of the Total System	None
Industry fragmentation	None
Terminal operators, consumers, connected system operators, suppliers, producers and other non code parties	None

6 Implementation

No specific implementation timescale is proposed.

7 The Case for Change

In addition to that identified the above, the Workgroup has identified that implementation could provide a basis for an enhanced Transporter to Shipper/end consumer operational relationship, providing a conduit for increased dialogue and discussion on the subject of capacity requirements and other operational matters.

8 Legal Text

Proposer's Suggested Text

SGN provided the text below, which was reviewed by the Workgroup. The final text will take account of a number of detailed points made during the Workgroup discussion. The suggested text below includes comments which indicate the relationship between the text provided and the Solution as set out in this modification.

UNC TPD SECTION G.

AMEND SECTIONS:

5.3 Supply Point Offtake Rate

5.3.1 The "**Supply Point Offtake Rate**" in respect of a DM Supply Point Component is the maximum instantaneous rate (in kWh/hour) at which a User is permitted to offtake gas from the Total System at that Supply Point Component.

5.3.2 A User shall apply for a Supply Point Offtake Rate or revised Supply Point Offtake Rate:

(a) when submitting a Supply Point Nomination (as a Proposing User) in respect of a Proposed Supply Point which includes a DM Supply Point Component;

(b) when submitting a Capacity Revision Application (whether to increase or in the Capacity Reduction Period to reduce its Supply Point Capacity) in respect of a Registered DM Supply Point Component; and[1]

(c) whenever the User becomes aware that the maximum offtake rate at a Registered DM Supply Point Component may be or has been subject to any increase or decrease;[2]

5.3.3 Wherever a User applies for a Supply Point Offtake Rate or a revised Supply Point Offtake Rate:

(a) the User shall estimate the maximum offtake rate, in good faith and after all appropriate enquiries of the consumer and on the basis of reasonable skill and care; and

(b) the Supply Point Offtake Rate for which the User applies shall be not less than, nor substantially more than, such estimate.

5.3.4 A User shall take all reasonable steps to secure that it becomes aware of any increase or decrease (whether by reason of a change in the size or nature of, or the nature of the use of, the Consumer's Plant or otherwise) in the maximum offtake rate before and (in any event) as soon as reasonably practicable after such increase or decrease occurs (without prejudice to paragraph **Error! Reference source not ound.** or Section J3.8).[3]

5.3.5 The Supply Point Offtake Rate prevailing at any time in respect of any DM Supply Point Component will be the Supply Point Offtake Rate specified in the Supply Point Offer, subject to any increase or decrease in such Supply Point Offtake Rate which has (at such time) been approved pursuant to paragraph **Error! Reference ource not found.**.

5.3.6 In this paragraph **Error! Reference source not found.**, the "**maximum fftake rate**" is the maximum instantaneous rate (in kWh/hour) at which gas is or is likely to be offtaken from the Total System at a Registered DM Supply Point Component.

5.3.7 In relation to a DM Supply Point Component which comprises Shared Supply Meter Point(s), the maximum offtake rate is to be determined as at the time of

the expected greatest instantaneous rate of offtake in aggregate at all of the DM Supply Point Components which comprise such Shared Supply Meter Point(s).

5.7 Supply Point Offtake Rate Review Process

5.7.1 In accordance with this paragraph 5.7, Transporters and Users undertake, in relation to DM Supply Point Components, to annually review the Supply Point Offtake Rate at a DM Supply Point (the "SPOR Review Process").[4]

5.7.2 The relevant Transporter, in respect of a DM Supply Point Component comprised in a LDZ Supply Point, shall provide to the Registered User of the DM Supply Point Component, prior to the last Business Day in April of each Gas Year,[5] an annual report, [6], detailing the information specified in paragraph 5.7.3 (the "Transporter SPOR Report").

5.7.3 The Transporter SPOR Report shall be compiled in April of each Gas Year [7]and shall specify (where the data is available and where the Transporter considers appropriate) for each DM Supply Point Component[8]:

(a) the existing Supply Point Offtake Rate[9] for the time being held by the Registered User (the "Existing Supply Point Offtake Rate");

(b) the single highest hourly offtake rate (in kWh/hour) recorded at the DM Supply Point during a period covering the months from October to March (inclusive) during the current Gas Year;

(c) the Meter Point Reference Number;

(d) the Supply Point Reference Number;

(e) the address details; and

[10](f) any further information relating to the DM Supply Point Component that the Transporter considers would assist the Registered User during the SPOR Review Process[11].

5.7.4 On receipt of the Transporter SPOR Report, the Registered User will endeavour to enter into discussions with the relevant consumer or consumer's representative at each DM Supply Point to discuss the information detailed within the Transporter SPOR with a view to proposing a revised Supply Offtake Rate ("Proposed Supply Offtake Rate") if appropriate. [12]

5.7.5 For each DM Supply Point Component specified on the Transporter SPOR Report the Registered User shall provide to the relevant Transporter, prior to the last Business Day in July of each Gas Year, a report specifying:

(a) The Proposed Supply Point Offtake Rate; and

(b) where the Proposed revised Supply Point Offtake Rate is:

i. less than or greater than the single highest hourly offtake rate provided to the Registered User in accordance with paragraph 5.7.3 (b); or

ii. is the same as the Existing Supply Point Offtake Rate provided to the Registered User in accordance with paragraph 5.7.3 (a);

relaying the reasons they are aware of for this (the "Registered User SPOR Report").

5.7.6 [13]Where the Proposed Supply Point Offtake Rate shall amend the Existing Supply Point Offtake Rate DRAFTING PROBLEM, the Registered User shall apply for a revised Supply Point Offtake Rate in accordance with paragraph 5.3.2 (b), [14]prior to the last Business Day in August in the Gas Year, save for where a reduction in the Supply Point Capacity is also required at the DM Supply Point, then the Registered User shall apply for a revised Supply Point Offtake Rate in accordance with 5.3.2 (b) during 1 October to 31 January

(inclusive) of the following Gas Year)[15]

5.7.7 The Transporter will reject any Proposed Supply Point Offtake Rate by the Registered User of a DM Supply Point Component where the Supply Point Offtake Rate applied for under paragraph **Error! Reference source not found.** nd the increased or reduced Supply Point Capacity are not in compliance with paragraph **Error! Reference source not found.** and/or 5.2.1. For these purposes he Supply Point Offtake Rate shall remain unchanged, however shall be subject to the SPOR Review Process in the following Gas Year. [16]

9 Recommendation

The Workgroup invites the Panel to:

- DETERMINE that Modification 0390 progresses to Consultation.