

11/04/2003

Dear Colleague,

**NOTICE OF IMPLEMENTATION
MODIFICATION PROPOSAL No: 0624**

"Changes to the 2003 Annual Quantity (AQ) Amendment Process"

Please note that Modification Proposal No 0624 will be implemented with effect from 06:00 hours on 12/04/2003. The Final Modification Report, Version 1.0, was signed by Ofgem on 11/04/2003.

The new Network Code text resulting from this Modification follows.

Modified Text:

Section G, paragraph 1.6.4

Re-word paragraph 1.6.4(a) as follows:-

- (a) Following the notification of the Provisional Annual Quantity the Registered User may, subject to paragraph 1.6.4(c) and where the provisions of paragraph 1.6.4(b) apply:
 - (i) in the case of a Smaller Supply Point where it considers that the Provisional Annual Quantity should be greater or lesser than the Provisional Annual Quantity notified by Transco by not less than 20%; or
 - (ii) in respect of any Larger Supply Point
- not later than 13th August in the preceding Gas Year notify Transco that it considers that the Provisional Annual Quantity does not satisfy the requirement in paragraph 1.6.6 (“User Provisional Annual Quantity”).

Insert as new paragraph 1.6.4(b):-

- “(b) The provisions referred to in paragraph 1.6.4(a) are:
- (i) that the Registered User reasonably considers that Transco’s calculation of the Provisional Annual Quantity is derived from:
 - (aa) Meter Readings that are incorrect or were taken prior to Meter Readings available to the Registered User and/or
 - (bb) materially incorrect details of the Supply Meter Installation for the relevant Supply Meter Point; or
 - (ii) where Transco has determined the Provisional Annual Quantity in accordance with paragraphs G1.6.2(a) or G1.6.2(d).”

Insert as new paragraph 1.6.4(c):-

- "(c) Where, in respect of any Supply Point, the Registered User notifies Transco of a User Provisional Annual Quantity in accordance with paragraph 1.6.4(a) it shall warrant that:
- (i) in reviewing the Provisional Annual Quantity it has applied a methodology that:
 - (aa) is consistent to all Supply Points for which it is the Registered User; and
 - (bb) does not materially differentiate in its treatment of Supply Points where the User Provisional Annual Quantity may be greater than the Provisional Annual Quantity notified by Transco and Supply Points where the User Provisional Annual Quantity may be less than the Provisional Annual Quantity notified by Transco; and
 - (ii) it has notified Transco of all User Provisional Annual Quantities resulting from the application of the methodology referred to in sub-paragraph (i) above that satisfy the requirements set out in paragraph 1.6.4(a).”

Re-number the existing paragraph 1.6.4(b) as 1.6.4(d) and amend as follows:-

“(b)(d) Transco will be entitled to reject without consideration, notice or liability any notification by a User which does not comply with the requirement in paragraph 1.6.4(a)(i).”

Re-number the existing paragraph 1.6.4(c) as 1.6.4(e).

Insert as a new paragraph 1.6.5(c):-

“(c) shall record evidence (and shall make such evidence available for inspection where reasonably requested) to support the applicable provision of paragraph 1.6.4(b) and the warranty given pursuant to paragraph 1.6.4(c).”

Yours sincerely,

Julian Majdanski
Modification Panel Secretary