

**Draft Modification Report**  
**Disclosure of Information Relating to the Operation of, or any Market Relating to, the Pipe-**  
**Line System**  
**Modification Reference Number 0601**  
Version 3.0

This Draft Modification Report is made pursuant to Rule 7.3 of the Modification Rules and follows the format required under Rule 8.9.3.

## **1. The Modification Proposal**

Transco's Gas Transporter (GT) Licence Standard Condition 4E requires Transco to disclose information relating to the operation of the pipe-line system, or any market relating to the pipe-line system, where required to do so by the Network Code.

This Proposal would introduce a new Network Code term that would enable subsequent Proposals to define "operational and market data" to be published and the entities to which such data would be released.

## **2. Transco's Opinion**

Transco has raised this Modification Proposal to facilitate compliance with the Transco GT Licence amendments notified on 27 September 2002 in respect of Standard Condition 4E.

Standard Condition 4E requires Transco to comply with any Network Code obligation to disclose information relating to the operation of the pipe-line system; or any market relating to the pipe-line system. Standard Condition 9 is designed to facilitate third party participants being able to propose modifications to part or all of the Network Code. Transco understands that the specific intent of Standard Conditions 4E and 9 was to facilitate third party participants to raise Proposals to increase the provision of information associated with the operation of, or any market associated with, the pipe-line system. A separate consultation process in respect of changes to the Network Code Modification Rules to recognise third party participants will afford an opportunity to indicate the entities who should be so listed and the scope of such proposed changes.

Transco supports the dissemination of operational and market data to a wider audience including Consumers and other Non-Network Code Parties where it is anticipated that this would enhance competition provided this can be achieved without breaching contractual confidentiality provisions. Transco would expect that any decision to release further information should be informed by a consideration of the extent that such information provision might adversely impact the commercial position of any market players.

This Proposal would introduce a framework that might promote well structured proposals for the release of additional information and therefore Transco recommends implementation.

Transco assesses that the effect of implementation of this Modification Proposal on the electricity regime is likely to be neutral. However, respondent's views on any potential interactions with the electricity regime would be welcomed.

**3. Extent to which the proposed modification would better facilitate the relevant objectives**

Implementation of this Modification Proposal would better facilitate compliance with Standard Conditions 4E.

**4. The implications for Transco of implementing the Modification Proposal , including**

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

No direct implications are anticipated.

**b) development and capital cost and operating cost implications:**

No costs are anticipated.

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

There are no significant costs that will arise from implementation of this Proposal. However costs will arise if subsequent Modification Proposals to release operational and market data are implemented. Should this occur then Transco would not anticipate direct recovery of costs given that any such costs will influence the outcome of the SO internal costs incentive scheme and so will be shared between Transco and Users on the basis defined by that scheme.

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

It is anticipated that the proposal would not have any consequences on price regulation.

**5. The consequence of implementing the Modification Proposal on the level of contractual risk to Transco under the Network Code as modified by the Modification Proposal**

It is not anticipated there would be any such consequences.

**6. The development implications and other implications for computer systems of Transco and related computer systems of Users**

There are no development implications arising from this Proposal.

**7. The implications of implementing the Modification Proposal for Users**

Should this Proposal be implemented, then Users would be enabled to raise Network Code Modification Proposals in a more structured and efficient form. This may better facilitate consideration as to whether the release of such operational and market data might further the relevant objectives.

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

Should this Proposal, and associated changes to the Network Code Modification Rules be implemented, then third party participants would be able to raise Network Code Modification Proposals for the release of market and operational data in a more structured and efficient form. This may better facilitate consideration as to whether such release of operational and market data might further the relevant objectives and enable Non Network Code Parties to make more focussed representations.

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

Implementation of the Proposal would facilitate requests for wider publication of data available to Transco arising from the operation of the Network Code.

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

**Advantages:**

1. Facilitates efficient operation of Special Condition 4E.
2. Defines a formal structure for the request of operational and market data. This will promote well defined Modification Proposals facilitating better informed consultation.

**Disadvantages:**

None have been identified.

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

Transco is now requesting Representations.

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

This Modification Proposal is required to better facilitate compliance with Special Condition 4E.

**13. The extent to which the implementation is required having regard to any proposed change in the methodology established under Standard Condition 4(5) or the statement furnished by Transco under Standard Condition 4(1) of the Licence**

Implementation is not required to satisfy these requirements.

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

No programme of works will be necessary until implementation of a subsequent Proposal to promote publication of operational and market data is implemented.

Users and third party participants' requests for this type of information will be processed via the normal Network Code Modification Process, once this Modification Proposal, and if necessary, changes to the Network Code Modification Rules, have been implemented.

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

Transco proposes that the Modification Proposal is implemented as soon as possible. Transco does not anticipate any systems changes at the time of implementation as the operational and market data, to be requested by Users and third party participants, would be released only after the implementation of such subsequent Proposal.

**16. Recommendation concerning the implementation of the Modification Proposal**

Transco recommends that this proposal is implemented.

**17. Text**

**SECTION V : GENERAL**

Add new section 5.9

**“V.5.9 Operational and Market Data**

5.9.1. Subject to the provisions of the Code Transco shall arrange for the data referred to in [Annex V-1], “**operational and market data**” to be published or made available in the manner specified in [Annex V-1].

5.9.2. Where market data is sent to Transco on a day that is not a Business Day Transco shall publish such data on the next following Business Day.

**Annex V-1: Table of Operational and Market Data**

<b>Column</b>	<b>Name</b>	<b>Description</b>
1	Data	data definition and indication of the time period to which the data corresponds
2	Timing	initial publication timing and where appropriate, timing of updates if the data is subject to any change
3	Format	tabular, graphical, other
4	Presentation	downloadable, viewable or both
5	Disclosure	public or restricted (and if restricted, list of entities to whom the data can be released)

<b>Data</b>	<b>Timing</b>	<b>Format</b>	<b>Presentation</b>	<b>Disclosure</b>
None specified				

***Representations are now sought in respect of this Draft Report and prior to Transco finalising the Report***

Signed for and on behalf of Transco.

Signature:

**Tim Davis**  
**Head of Regulation NT&T**

Date: