

TRANSCO NETWORK CODE MODIFICATION PROPOSAL No. 0454

"Amendment to the Small Supply Point AQ Process."

Version 1.0

Date: 05/02/2001

Proposed Implementation Date: 01/04/2001

Urgency: Non-Urgent

Justification

The Small Supply Point (SSP) AQ Review carried out in 2000 was the first occasion since the start of Network Code when Users could potentially amend all SSP AQs.

A number of areas within this amendment process were subsequently viewed to have been actioned by some Users in a manner that had the potential to detrimentally affect other Users with SSP portfolios. Given the basis of elements of SSP charging to Users (based on aggregate LDZ AQ values), an agreed series of recommendations have been established with Users (with SSP portfolios), which may better protect them from the outcome of the SSP AQ review process to be conducted in 2001.

The proposal seeks to limit any amendments to SSP AQs to those which alter the Provisional AQ by more than 1,000 Kwh. The content of the proposal has been debated and agreed within the AQ sub-group of the SPA workstream.

Nature of Proposal

The three areas of proposed amendment to the SSP AQ process are;

1. Amendments to SSP Provisional AQ values to be limited to those, which alter by more than 1,000 Kwh (the tolerance).
2. No tolerance to apply in instances where meter points are re-classified as Large Supply Points (LSP) following any amendment to the Provisional AQ.
3. Instances of amendments received from Users (outside of the prescribed tolerance) to be rejected by Transco.

Purpose of Proposal

This Modification Proposal reflects the views of the AQ sub group, and will refine the existing SSP AQ process, providing greater certainty to all Users in respect of the AQ values to be utilised from October 2001.

Through the proposed removal of low level, but potentially high volume amendments, this proposal seeks to better secure effective competition between relevant shippers.

Consequence of not making this change

In the absence of this proposal, SSP Users would be exposed to the consequences of a large volume of relatively small SSP amendments.

Area of Network Code Concerned

DELETE paragraph G1.6.4 and replace with:-

“1.6.4 Amendment of Provisional Annual Quantity

- (a) Following the notification of the Provisional Annual Quantity the Registered User may in the case of:-
 - (i) 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 1000 kWh; 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")
- (b) 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).
- (c) The limitations upon notification contained in paragraph 1.6.4 (a) (i) shall not apply where the User Provisional Annual Quantity will result in a Smaller Supply Point being re-classified as a Larger Supply Point.

Proposer's Representative

Robert Cameron-Higgs (Transco)

Proposer

Tim Davis (Transco)

Signature

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