

Modification Report
Modification Reference Number - 0048
Entry Allocations Close-out Date - May 96

This modification report is made pursuant to Rule 8.12 of the Modification Rules and follows the format required under Rule 8.12.4.

1. Circumstances Making This Modification Urgent

In accordance with Rule 9.2(a) Ofgas has agreed that this modification should be treated as URGENT because of delays in processing input allocation information for May due to the activities associated with closing out March and April..

2. Procedures Followed

TransCo agreed with Ofgas (and has followed) the following procedures for this Proposal:

8th July 1996 - Representations from CVSL

9th July 1996 - Proposal to Ofgas

10th July - Ofgas agreed proposal as Urgent

11th July - Representations close out 12:00

11th July - Representations received from Shippers

11th July - Modification Report to Ofgas.

12th July - Implementation

3. The Modification Proposal:

To extend the entry close out for May from M+30 (12th July 1996) to M+32 (16th July 1996) for the month of May 1996.

4. Text provided pursuant to Rule 8.14:

In Transition Document Part II, paragraph 8, Section E1.9.1(i) (iii),

replace with the following

"For Gas Flow Dates in May 1996 shall be 16th July 1996;"

5. TransCo's opinion:

Due to the extra time required to close out March and April close out Entry allocations, this modification is needed to allow the Claims Validation Agents additional time to process the May Entry Allocations.

6. Extent to which the modification would better facilitate the relevant objectives:

The modification allows the Claims Validation Agents additional time to process the May Allocations data.

7. The implications for TransCo of implementing the Modification Proposal, including:

a) implications for the operation of System and any BG Storage Facility:

None

b) development and capital cost and operating cost implications

None

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:

It is not TransCo's intention to recover any costs incurred with respects to this modification.

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

TransCo is not aware if any impacts on Price Regulation.

8. 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:

TransCo are not aware of any such implications.

9. The development implications and other implications for computer systems of TransCo and related computer systems of Relevant Shippers:

None

10. The implications of implementing the modification for Relevant Shippers.

Extending the entry close-out date will avoid the use of the Network Code default allocations for May.

11. The implications of implementing of the modification for terminal operators, suppliers, producers and, any Non-Network Code Party;

The Claims Validation Agents will have more time to process the May allocation data.

12. Consequences on the legislative and regulatory obligations and contractual relationships of TransCo and each Relevant Shipper and Non-Network Code Party (if any), of the implementation of the Modification Proposal;

TransCo has not been informed of any consequences of the legislation and regulatory obligations and contractual relationships of implementing this proposed modification.

13. Analysis of any advantages or disadvantages of the implementation of the Modification Proposal;

Advantages - The advantage of implementing this modification is that the Claims Validation Agents will have more time to run their allocation processes.

14. Summary of the representations (to the extent that the importance of those representations are not reflected elsewhere in the modification report;

1 Representation was received supporting the Modification. BGT requested confirmation from the CVSL that 'the extension proposed is sufficient to allow the processes to be fully run'. The CVSL will endeavour to meet the timescales but is unable to confirm that the processes can be run in time.

15. The extent to which the implementation is required to enable TransCo to facilitate compliance with safety or other legislation;

The modification is not required to facilitate compliance with safety or other legislation.

16. Having regard to any proposed change in the methodology established under Standard Condition 3(5) or the statement; furnished by TransCo under Standard Condition 3(1) of the Licence;

The proposed modification is not required to comply with the above clause.

17. Programme of works required as a consequence of the implementation of the Modification Proposal:

Not Applicable.

18. Proposed implementation timetable:

The proposal extends the entry close-out from M+30 to M+32 for May 1996 and will become operational on 16th July 1996.

19. Recommendation for the implementation of the modification:

TransCo recommends that the procedures outlined in the current proposal are implemented.

20. Restrictive Trade Practices Act

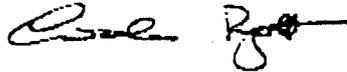
If implemented this proposal will constitute an amendment to the Network Code. Accordingly the proposal is subject to the Suspense Clause set out in the attached Annex.

21. TransCo Proposal

This Modification Report contains TransCo's proposal to modify the Network Code.

Signed for and on behalf of British Gas TransCo.

Signature:



Date:

11/7/96

Name: Chris Train

Position: Energy Balancing Manager

Director General of Gas Supply Response

In accordance with Condition 7 (10) (b) of the Standard Conditions of Public Gas Transporters' Licences dated 21st February 1996 I hereby direct British Gas TransCo that the above proposal be made as a modification to the Network Code.

Signed for and on behalf of the Director General of Gas Supply.

Signature:



Date:

11/7/96

Name: EILEEN MARSHALL

Position: DIRECTOR, REGULATION & BUSINESS AFFAIRS.