

Modification Proposal 0038

Distribution Workstream – 27th July 2005

Initial Proposal

-Principles

- Introduce into UNC the historic planning information provided by DNs to NTS through “PS3 statements”
- Information would inform development of NTS Investment Programme
 - Beyond that received through formal UNC capacity application process
 - Better facilitate efficient and economic development of system
- Align with NTS Safety Case requirements

Initial Proposals

- Data requirements

- DNO Users provides by 31 July each year for next 5 gas years the forecast volume flow rate, peak rate and the Offtake Flexibility Quantity for each of its NTS/LDZ offtakes at the following demand levels:
 - 1-in-20 peak day demand
 - Day 13 of the severe load duration curve
 - Day 46 of the average load duration curve
 - Day 150 of the average load duration curve
 - Day 300 of the average load duration curve
- For 2005, only peak day demand levels by 1 September 2005
- To improve consistency with proposed approach for NTS/LDZ offtakes, Shippers at direct connects to provide peak day demand indications for 2 additional years on voluntary basis

Issues

- Some DNOs consider that Proposal should include information provided in return to DNOs that was available prior to separation
 - Flow flexibility availability
- Transco NTS view that this is not appropriate for gas years covered by UNC capacity registration process on basis that
 - existing process already allows DNs to seek and obtain flexibility capacity rights for such years
 - publication of capacity availability, even on an indicative basis, particularly within investment lead times, would expose limitations of the network

Potential changes to Proposal

- Transco NTS proposes that if indications of the potential available capacity are required only provided for gas years not covered by UNC registration process
- Envisage that such indications would present same information as provided in Offtake Capacity Statement, but would not be “formal” allocations ie.
 - Years 1 –3: Allocation of Offtake Flat and Flexibility Capacity, Pressure
 - Years 4 – 5: Indication of Offtake Flat and Flexibility Capacity, Pressure
- Envisage that proposal to introduce transitional exit reform would extend allocations to 4 years ahead resulting in one additional year of indications
- Consistency with DCs?