

15th January 1997

Dear Colleague,

NOTICE OF IMPLEMENTATION

MODIFICATION 0106

Inter Shipper Adjustments re: August Allocations at Bacton and St Fergus.

Please note that Proposal 0106 was implemented effective from 06:00 15/1/97.

The Report was signed by Ofgas 14/1/97. The Modified text resulting from this modification is detailed below,

Modified Text:

Transition Document, Part II, paragraph 8

Insert under Section E:

- E2.1.3 (1) For Gas Flow Days in August 1996, if the same person was appointed by all Users as User Agent in relation to a System Entry Point pursuant to Section E2.2, Users may arrange for such User Agent to submit, not later than 21st March 1997, to TransCo revised Entry Allocation Statements in respect of such System Entry Point, in accordance with and subject to Section E2.1.3, but notwithstanding that the Entry Close-out Date is passed.
- (2) Such revised statements will not take effect as Entry Allocation Statements, and accordingly relevant charges will be determined and invoiced by reference to the Entry Allocation Statements submitted by the Entry Close-out Date; but separate adjustments will be made pursuant to paragraph (3).

- (3) TransCo will determine, as nearly as may be, for all Users and for each Day in August 1996;
 - (a) the quantities which would have been each User's UDQIs, Daily Imbalance and Net Cumulative Imbalance, on the basis of such revised statements;
 - (b) the amounts which would have been payable, by reference to the UDQIs, Daily Imbalances and New Cumulative Imbalances under paragraph (a), by way of;
 - (i) Daily Imbalance Charges and (subject to paragraph (4)) Cumulative Imbalance Charges;
 - (ii) where this would result in a reduction or elimination of such a charge payable as described in paragraph (2), but not otherwise, Input Scheduling Charges and System Entry Overrun Charges; and will make corresponding adjustments, to be invoiced in accordance with Section S, by reference to the amounts determined and invoiced as described in paragraph (2).
- (4) No revision shall be made pursuant to paragraph (3) in respect of the calculation of Cumulative Imbalance Tolerance Quantities in respect of any Day after 31st August 1996.
- (5) Revised statements submitted under paragraph (1) may state quantities on an aggregate basis for all System Entry Points in an Aggregate System Entry Point, in which case:
 - (a) under paragraph (3)(a), the aggregate of a User's UDQIs for all such System Entry Points will be determined;
 - (b) no adjustment to any Unauthorised Gas Flow will be made, or taken into account in any determination made, under paragraph (3).

Principal Document, Section S

Insert a new Section S1.10 as follows:

"1.10 Adjustment neutrality

Where any Energy Balancing Charge has been invoiced and, upon the resolution of an Invoice Query or pursuant to paragraph 1.8.1 or (unless expressly otherwise provided) following a Code Modification or otherwise, any adjustment is subsequently made in respect of such Energy Balancing Charge, any amount

payable by TransCo to a User or by a User to TransCo pursuant to such adjustment shall be:

- (i) except as provided in paragraph (ii), an additional Monthly Adjustment Neutrality Cost, or (as the case may be) an additional Monthly Adjustment Neutrality Revenue for the purposes of Section F4.5.3(a) or (b),
- (ii) where the relevant Energy Balancing Charge was a Reconciliation Clearing Charge or a Reconciliation Neutrality Charge, an additional Adjustment Reconciliation Neutrality Cost or (as the case may be) additional Adjustment Reconciliation Neutrality Revenue for the purposes of Section F6.5(a) or (b) (applying pursuant to Section F6.1.2(i) or (ii), as appropriate), in respect of the month in which the amount of such adjustment was determined."

Principal Document, Section F

Amend Section F1.4.7 to read:

"....in the month in which such amounts are determined."

Delete "6.5.1" at the start of Section F6.5.

In Section F6.5(a) add a new paragraph (v) as follows and move "and" from the end of paragraph (iii) to the end of paragraph (iv):

- "(v) any other amount (an "**additional Adjustment Reconciliation Neutrality Cost**") provided to be included in this paragraph (a) in relation to month m under any provision of the Code;"

In Section F6.5(b) add a new paragraph (iv) as follows and move "and " from the end of paragraph (ii) to the end of paragraph (iii):

- "(iv) any other amount (an "**additional Adjustment Reconciliation Neutrality Revenue**") provided to be included in this paragraph (b) in relation to month m under any provision of the Code."

Principal Document, Section E

Amend Section E3.6.2(iii) to read:

".... will be additional Adjustment Reconciliation Neutrality Costs for the purposes of Section F6.5(a)"

Principal Document, Section G

Amend Section G1.14.2 to read:

".....in the month in which such amounts are determined."

yours faithfully,

Richard Gray
Secretary Modifications Panel