

Development Workgroup Report
Modification Reference Number 0119
Interruptions Notification via I'X

A meeting of the Development Workgroup was held on 4th July 1997. The Workgroup was established to develop the Network Code drafting amendments to implement interruption notifications via the UK-Link Information Exchange system.

Drafts of the SC95 Interruption File Layouts, Process Flow Diagrams and Draft Network Code Modifications were tabled and reviewed.

Present:	Tahir Majid	OFGAS
	David Thompson	Mobil
	John Gill	Quadrant
	Vicki Roberts	" "
	Tim Higgins	Eastern Power & Energy Trading
	Doug Bennett	Amerada Hess
	Alan Wood	" "
	Raj Sharma	Total Gas
	Joshua Joshi	BP Gas Marketing Ltd
	Tim Rogers	" "
	Clive Coverson	Commercial Operations
	Nigel Bradbury	" "
	Alan Raper	Service Development
	Andrew Baynes	I'X
	Peter Fulham	Systems Control
	Ian Healey	Business Link

1. Analysis of whether and if so the extent to which the Proposal would better facilitate the achievement of the relevant objectives.

This modification will provide an enhanced method of communicating details of Transco Initiated Interruptions and Shipper Initiated Interruptions between Transco and Shippers electing to use the I'X system. Therefore, this will promote the efficient and economic use of the pipeline system.

2. The implication for Transco Implementing the Proposal.

2.1 Implication for the Operation of System and any BG Storage Facility.

None

2.2 Development, capital cost and operating cost implications for Transco of implementing the proposal.

As a result of developing the File Formats, costs will be incurred during the implementation of this proposal. There will be no additional operating cost implications as a result of implementation.

2.3 Whether appropriate for Transco to recover costs and if so the most appropriate way.

Transco does not intend to recover any costs other than those provided for in the Transportation Statement.

2.4 Consequence of Implementing the Proposal on the level of contractual risk to Transco.

Transco is not aware of any consequences.

3. The Development Implications and other Implications for Computer Systems of Transco and related Computer Systems of Relevant Shippers.

This proposal utilises the existing I'X system which links Transco to all Shippers and has involved Transco in the development of seven new files.

4. The Implications of Implementing the Proposal for Relevant Shippers.

4.1 Administrative and operational implications.

Shippers choosing to communicate Interruption Notifications via the I'X system will need to develop systems and procedures to handle the receipt and transmission of File Formats on a 24 hour basis during the winter.

4.2 Development, capital cost and operating cost implications for Relevant Shippers of implementing the proposal.

Eleven Shippers replied to a Transco request for estimates of the cost implications of implementing this modification and varying estimates of the cost implications for development, capital and annual operations were received.

Figures taken from Shipper responses:-

Development	£5,000 to £66,500
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Capital	£1,500
Operations	£2,000 per annum
Budget costs	£200,000

However, Shippers are not obliged to use the system as it is being offered as an additional service which Shippers can choose to use or continue using telephone or facsimile.

4.3 Consequence of Implementing the Proposal on the level of contractual risk to Relevant Shippers.

This proposal maintains the current level of contractual risk for Shippers.

5. Implications of Implementation for Terminal Operators, Suppliers and Producers, and any Non-Network Code Party.

Transco is not aware of any such implications.

6. Consequences on the Legislative and Regulatory Obligations and Contractual Relationships of Transco and each Relevant Shipper.

Transco has not been informed of any such consequences.

7. Analysis of Advantages and Disadvantages of the Implementation of the Proposal.

The advantages of this modification for Shippers choosing to use I'X for Interruption Notifications is that they can automate the interruption process allowing more time to exercise an element of choice as to which of their sites they would prefer to interrupt.

The main advantages for Transco in using the I'X system are that the handling of the large amounts of data which are communicated between Transco and Shippers can be automated and I'X also provides an accurate audit trail.

One disadvantage for Transco is that the I'X system is being offered as an additional method of communication which will need to be maintained alongside the telephone and facsimile methods by which interruptions are communicated between Transco and Shippers.

8. Summary of any representations received and comments thereon.

Following the establishment of the Development Workgroup on 20

February 1997 and the circulation of the minutes of the meeting on 17 March 1997 to all Shippers, written representations were received the following parties:-

AGAS, Alliance Gas, Amerada Hess, Gas Light & Coke, Kinetica Ltd., Midlands Gas, National Power, Ofgas, Quadrant Gas and United Gas Co. Ltd.

The majority of Shippers appreciated the advantages that could be gained by Shippers with larger interruptible portfolios in using the I'X system for Interruption Notification but expressed opposition to the withdrawal of the telephone and facsimile method of communication.

Transco subsequently agreed that the I'X would be offered as an additional service which Shippers could use by giving Transco one months notice prior to the date they wished to avail themselves of the system.

Following a letter dated 9 April 1997 requesting information and estimated development, capital and operating costs involved in them implementing the I'X solution, to all Shippers, written representations were received the following Shippers:-

Alliance Gas, Amerada Hess, British Fuels-Gas, BP Gas, Gas Light & Coke, Midlands Gas, National Power, Powergen, Quadrant Gas, Total and United Gas Co. Ltd.

The majority of Shippers referred to the development of additional software, procedures, staff training and 24 hour system support and stated that it would not be economical for Shippers with comparatively small interruption portfolios.

Following the issuing of the SC95 Interruption File Layouts, version 4 (draft), dated 2 May 1997 and the associated Process Flow Diagrams on 12 May 1997, to all Shippers, written representations were received the following Shippers:-

Quadrant Gas Ltd., British Gas Trading and Eastern Power & Energy Trading Ltd.

In response to the representations Transco issued version 5 (draft), dated 10 June 1997, of the SC95 Interruption File Layouts which was discussed at the meeting of the Development Workgroup on Friday 4 July 1997. At this meeting agreement was reached on revisions to the File Formats, Process Flow Diagrams and the Legal Text for the Network Code Modifications.

9. Any other matters that need to be addressed for production of the Modification Report.

None

10. Comment upon & make recommendations re implementation timetable.

It is planned to implement this modification on 28 September 1997.

11. Comments upon the proposed text.

None