

99/03/01/12



01 March 1999

Direct Dial: 0171 932 5907  
Our Ref : NET/COD/MOD/210  
Your Ref :

Richard Robinson  
Transco

**BY FAX**

Dear Richard

**Modification 210, Revision to Top-up Manager Rules Relating to Review and Recalculation of Top-up Requirements Following Initial Calculation**

On 24 June 1998 Transco submitted to Ofgas its final modification report on modification proposal 210.

Modification 210 was raised by BGT following incorrect advice by Transco that shippers would be receiving a full rebate for the reduction in booked top-up for 1997/8. It was proposed that top-up bookings would be postponed until the end of summer or beginning of winter and that the network code would be amended to allow for full compensation when the top-up requirement is reduced. It was also proposed that this apply retrospectively so that Transco pay shippers for the reduction in top-up for 1997/8.

However, Ofgas considers that Transco and BG Storage had correctly applied the rules of the network code and had no obligation to reimburse all the top-up costs to shippers despite the fact that Transco informed them otherwise. Ofgas also believes that modification 297 offers better incentives for Transco to reduce their top-up booking by passing all top-up costs for Transco to bear (modification 297 has been accepted for implementation by Ofgas). Therefore Ofgas rejects modification 210.

Please circulate this letter to all shippers.

Yours sincerely

**Ayesha Uvais**  
Assistant Manager, Gas Balancing