

MODIFICATION PROPOSAL

SHORT TITLE: Amendment to the 1998 AQ Update Process - Closing Date for Shipper Reviews

DATE: 12th August 1998

PROPOSED IMPLEMENTATION DATE: 13th August 1998

URGENCY: Urgent - Current closing date is 13th August.

JUSTIFICATION:

The 1998 AQ Review Process as implemented by Modification Proposal 0208, was the subject of extensive debate by the industry as to the requirements and expectations of the process and the parties.

A key element of this, was the amount of time that Shippers would have available to review the data provided and raise AQ Appeals.

There have been several factors reducing the usable time available to Shippers such as an extension to the closing date for receipt of appeals needs to be extended. The key factors are:

- i) Review start date effectively delayed from 22nd June until 16th July due to problems with Transco's AQ Calculator.
- ii) Shipper files were rejected due to unforeseen validation error messages, necessitating additional work and delays.
- iii) Transco acknowledged erroneous data in the initial files, but have only provided revised data this week.

CONSEQUENCE OF NOT MAKING THIS CHANGE:

Failure to allow an extension to the deadline, will mean that erroneous AQs will still be in the system when the new AQs are due to come into effect on 1st October. This will cause Shippers additional costs in having to appeal the AQ through the full process, and incur costs associated with that and any commercial exposure on transportation charges and gas costs until any corrections are made.

Inaccurate AQs also has impact for the industry in a number of other key areas including:

- a) The application of RbD
- b) The true need for emergency contacts for sites around the 73,000kwh threshold (ie Sites needing contacts not being identified and those that shouldn't be captured, being required to provide details).

AREA OF NETWORK CODE CONCERNED:

Transition Document Part II Section G1.6

NATURE OF PROPOSAL:

The deadline for receipt of Shipper Revisions is extended from 13th August 1998 to 28th August.

IDENTITY OF PROPOSERS REPRESENTATIVE:

PROPOSER: Simon Goldring

POSITION: Gas Transportation Manager

COMPANY: British Gas Trading Limited

MODIFICATION PANEL SECRETARY'S USE ONLY

Ref No: 0254

Date Received 12th August 1998