

Date 28 Aug 98

## **PROPOSAL FOR REVIEW**

**SHORT TITLE:** CLOSE OUT OF RECONCILED GAS

**DATE:** 26 August 1998

**PROPOSED IMPLEMENTATION DATE:** [15 December 1998]

**URGENCY:** Non Urgent

### **JUSTIFICATION:**

This Review group seeks to allow for close out of Users reconciled gas position in aggregate for the period Gas day 1 March 1996 - Gas day 31 January 1998 inclusive, provided that all Network Code Users agree to their individual aggregate reconciled gas position.

The IQR project identified solutions to all IQR issues, some of which impact Users reconciled gas positions at meter point level. This proposed aggregate reconciliation would provide for the full and final settlement of these past effects and other issues.

It is recognised that line by line adjustments may not be cost effective or efficient for either Users or Transco and that a more pragmatic approach maybe desirable. This would realise benefits for all parties, including delivery of a sufficiently robust final billed energy position without the need to wait for individual meter point adjustment.

Following a meeting to discuss Close Out of Network Code implementation issues, between Transco, Users and Ofgas in January 1998, agreement was reached to form a work group to take this forward.

Close Out is a means to achieve financial settlement of IQR issues, Non IQR queries, uninvoiced reconciliation and any other issues in aggregate for individual Users, for the period Gas day 1 March 1996 - Gas day 31 January 1998 inclusive.

Whilst Close Out also includes transportation, any potential modification will give effect to the gas element only, in the form of a special reconciliation.

This proposal for review was drafted and supported by those members of the Close Out workgroup present on 26 August 1998:

Sarah Copp	Alliance
Sara Loynton	BP Gas
Gavin Ferguson	British Gas Trading
Alison Kuck	Eastern
Fred Attwater	Scottish Power
Kiran Madisetti	Shell Gas Direct
Chris Harlow	Total

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Suzi Lorimer  
Julie Lees

United  
Powergen/Kinetica

## **CONSEQUENCE OF NOT MAKING THIS CHANGE**

Adjustments relating to the Close Out period would continue to be processed on a line by line basis. However this would take considerably longer and may result in disproportionate costs to Users and Transco for little benefit.

## **AREA OF NETWORK CODE CONCERNED**

Network Code Transition Document Part II.

## **NATURE OF PROPOSAL**

To establish a Review Group to develop Business Rules and if appropriate legal text in order to propose a modification to effect close out for the period Gas day 1 March 1996 - Gas day 31 January 1998.

## **PURPOSE OF PROPOSAL**

The review group will consider the appropriateness of close out and will seek to specify the terms of a special reconciliation to resolve outstanding IQR, Non IQR, reconciliation and other issues. This would result in an agreed apportionment of gas amongst the community for the period gas day 1 March 1996 - gas day 31 January 1998.

**IDENTITY OF PROPOSER'S REPRESENTATIVE:** Fred Attwater

**PROPOSER :** Fred Attwater

**SIGNATURE:**

**POSITION :** Gas Transportation Manager

**COMPANY :** Scottish Power

## **MODIFICATION PANEL SECRETARY'S USE ONLY**

**Reference Number:** 0263R

**Date received:** 1/9/98 .