

98/09/21/01



Fax

To: Dennis Rachwal

Company: Transco Network Development

Fax No: 0121 711 1451

From: Amrik Bal

Date: 18 September 1998

Time: 18:35

No. of pages to follow: 1

If there are any problems, please contact: Amrik Bal

on: 0171-932-1674

Please note our new fax number: 0171-932-1600

Dear Dennis,

Re Mod 269

Further to your fax of this afternoon, I can confirm that the the mod is accepted as urgent.

The timetable is acceptable. Please bear in mind, however, that the dates for your final report and Ofgas' direction are actual not target dates.

Regards

A handwritten signature in black ink, appearing to read 'Amrik Bal', written in a cursive style.

Amrik Bal
Manager, Transportation



Urgent Draft Modification Proposal 269
Changes to the charging of Compression at TOM

25 September 1998

Present Position

When a shipper is allocated gas at Total Oil Marine (TOM) terminal at St Fergus, they are subject to a charge for compression of the gas under Transco's Transportation Charging Statement. The Claims Validation Service, the agent who provides entry allocations to Transco, will introduce terminal level trading on October 1 1998. This will allow shippers to buy gas at a terminal level, ie. through a 'pool', without having to specify the sub-terminal it was delivered to. The network code, however, requires gas to be allocated at sub-terminal level. This means that all shippers allocated gas at the TOM sub-terminal through the CVSL's allocation process after trading in the St Fergus pool will face compression charges.

Proposal

BP proposes that only those shippers who receive gas directly from producers at TOM sub-terminal, known as Base Quantities in the Claims Validation Agreements, should face the compression charges. Transco would receive 'base quantity data' from the Claims Validation Agent (CVA) and use it to raise invoices for TOM compression costs.

Ofgas accepted this as urgent. The close out for representations is noon 25 September 1998.

Possible Impact on Customers

This proposal will have no direct impact on customers.

Further Information

The BP contact is Hayley Onyett on 0171-579-7714

The Ofgas contact is Shaun Day on 0171- 932-1689