TRANSCO NETWORK CODE MODIFICATION PROPOSAL No. 0435

"MISEC - Defer Auction effective date of the MISEC service"

Version 3.0

Date: 23/10/2000

Proposed Implementation Date:

Urgency: Urgent

Justification

The RGTA system for Monthly Interruptible System Entry Capacity (MISEC) is undergoing testing with the intent of delivering full functionality to support an effective implementation date of 1 December 2000. Auctions for MISEC are scheduled to commence on 7 November. Transco has stressed that the delivery timetable for these systems is extremely tight. In the light of the problems experienced in July with the RGTA capacity system Transco would be reluctant to implement the new system unless it was satisfied that regression and user acceptance testing indicates a high probability of robust implementation. Transco will notify the community of progress of the MISEC testing programme by 30 October 2000. If, in Transcos opinion, progress of the test programme is not satisfactory, the industry will wish to consider alternative arrangements prior to the 7 November 2000. Therefore a decision is required urgently to ensure that a deferral of the implementation can be achieved prior to the currently agreed auction commencement date.

Nature of Proposal

It is proposed that the implementation of the MISEC service and primary auctions be deferred by 1 month. The initial auctions are due to be completed by the 10 November 2000 with an effective date of 1 December 2000. The existing interruptible capacity release regime will continue until such time that the MISEC system is released. The proposed deferral dates for the auction are 7 and 11 December with an effective start date of 1 January 2001. The existing regime for interruptible entry capacity would continue to operate until 1 January 2001

Purpose of Proposal

A one month deferral of the MISEC service implementation would provide an opportunity for the successful completion of the test programme. The proposal would also afford adequate lead times between the auctions taking place and the effective start date of the service.

Consequence of not making this change

Transco will not implement the new MISEC systems unless it is satisfied that the testing indicates a high probability of robust implementation. Under the current Network Code obligations Transco are required to deliver a MISEC service by the 7 November. Should the MISEC systems not be ready by this date alternative manual contingency arrangements will be necessary to deliver the service in line with Network Code requirements. Transco believes that

manual auctions may be both open to the risk of error and time consuming for shippers and Transco.

Area of Network Code Concerned

TRANSITIONAL DOCUMENT PART II

Amend text in paragraph 8.1 to read as follows:

B2.6 In respect of the Gas Year 2000/2001:

(1) the reference in Section B2.6.1 to each calendar month in the Gas Year shall be deemed to be a reference to the calendar months ~~December~~ January 2001 to March 2001 (inclusive);
and

(2) the reference in Section B2.6.2(a) to 15 August in the Preceding Year shall be deemed to be a reference to ~~10 November~~ [11] December 2000.

Amend text in paragraph 8.1 to read as follows:

"B2.8 On each day in the calendar months October to ~~November~~ December 2000 (inclusive), the Available Interruptible Capacity at each Aggregate System Entry Point shall be increased by an amount of capacity equal to the Monthly Maximum Interruptible Capacity for Aggregate System Entry Point for the relevant month.

Proposer's Representative

Russell D Cooper (Transco)

Proposer

Tim M Davis (Transco)

Signature

.....