

APPLICATION FOR CONSENT TO MODIFY THE NETWORK CODE

"Transco Proposal for Revision of Network Code Standards of Service"
Version 2.0

Reference: C087

Transco Proposal

To address both typographical, calculus and cross referencing errors that occurred during initial preparation and subsequent insertion of the text into various Principal Document Sections of the Network Code, as contained within the legal text fields in both the Final Modification Report (v2.0) and Notice of Implementation for Modification **0565 "Transco Proposal for Revision of Network Code Standards of Service"**.

Error Condition 1

As no paragraph 4.6 existed in Section S at the moment of insertion of the new legal text, the application automatically renumbered paragraphs 4.7 & 4.8 as 4.6 & 4.7 respectively.

Solution 1

Add a new instruction to 'Add new paragraph 4.6: Not Used' which will then automatically renumber existing paragraphs 4.6 & 4.7 as 4.7 & 4.8.

This will ensure alignment with the requirements as specified within the original Notice of Implementation and additionally maintain cross reference integrity either within or across Principal Document Sections.

Error Condition 2

Original calculation contained in Section E, paragraph 8.2.1(a) was inconsistent with anticipated requirements.

Solution 2

Revise calculation and supporting statement(s) to accurately reflect requirements.

Error Condition 3 (*not directly attributed to the Implementation of 0565, but 'picked up' during investigation of the above items*)

Section X (Supplement), paragraphs 4.1 & 4.2 contain blank cross references.

Solution 3

Reset cross references.

Nature of Modification

Text extracted from the original Notice of Implementation dated 01/07/2003.

Section S

"Add new paragraph 4.6: Not Used"

Insert as new paragraph 4.7¹:-

"4.7 GRE Invoice Query Incentive Scheme
Methodology....."

Insert as new paragraph 4.8

4.8 Operational
Queries....."

Section E

Amend paragraph 8.2.1(a) as follows:-

"8.2.1 In respect of each LDZ ~~of~~ for each Reconciliation Billing pPeriod Transco will pay to the User ~~the User's LDZ Suppressed Reconciliation Proportion of the amount~~ (provided such amount is positive) ~~calculated as the~~ aggregate of:

(a) $(G * H) - (M * £25)$

where following Individual NDM Reconciliation in Reconciliation Billing Period 'p'

G is the User's SP Aggregate Reconciliation Proportion for Reconciliation Billing Period "p+1"

H is $((0.98 * A) - B * £20) + (C * £30)$

where:

~~(a) $(((((0.950.98 * A) - B) * £20) + (C * £30) - (M * £25)))$~~

~~where following Individual NDM Reconciliation in Reconciliation Billing Period 'p'~~

A is the number of Suppressed Reconciliation Values that have been Suppressed in Reconciliation Billing Period 'p';

B is the number of Suppressed Reconciliation Values that had been Suppressed in Reconciliation Billing Period 'p' which are not Suppressed in Reconciliation Billing Period 'p + 1';

C is the number of Suppressed Reconciliation Values that had been Suppressed in any Reconciliation Billing Period 'p' and which remain Suppressed in Reconciliation Billing Period 'p + 2' or any subsequent Reconciliation Billing Period;

M is number of Meter Reads obtained by Transco in relation to the User under Section M3.6.1 that are Suppressed in Reconciliation Billing Period 'p'

and

(b) $(((((0.950.98 * D) - E) * £40) + (F * £60)))$

where....."

Section X (Supplement)

Amend paragraph 4 as follows:-

"4 Appointment of Receiver

4.1 Subject to paragraph ~~0~~ 4.2, where Section V4.3.3(b) applies.....

- 4.2 4.2.1 Before Transco shall take the action envisaged by paragraph 4.1,
 Transco shall.....
 4.2.2....."

Transco Application

This application for consent contains Transco's proposal to modify the Network Code and Transco now seeks direction from the Authority in accordance with this application.

Signed for and on behalf of Transco.

Signature:

Mike Berrisford
Contract & Compliance Officer

Date:

Gas and Electricity Markets Authority Response:

In accordance with Condition 9 of the Standard Conditions of the Gas Transporters' Licences dated 21st February 1996 I hereby consent to the above modification to the Network Code.

Signed for and on Behalf of the Gas and Electricity Markets Authority.

Signature:

Date: