

22/08/2003

Dear Colleague,

**NOTICE OF IMPLEMENTATION
MODIFICATION PROPOSAL No: 0623**

"Modification to LTSEC Weak Closure Rule"

Please note that Modification Proposal No 0623 was implemented with effect from 06:00 hours on 23/08/2003. The Final Modification Report, Version 3.0, was signed by Ofgem on 21/08/2003.

The new Network Code text resulting from this Modification follows.

Modified Text:

SECTION B: SYSTEM USE AND CAPACITY

Amend paragraph 2.2.17 to read as follows:

2.2.17 Following the submission of quarterly capacity bids on each annual invitation date in the annual invitation period Transco shall as soon as reasonably practicable after 17:00 hours on each such date calculate and notify Users, in respect of each calendar quarter and each Aggregate System Entry Point, of the provisional Stability step-price Group by reference to identifying where the quantities of Quarterly System Entry Capacity applied for in aggregate by Users are first equal to or less than the incremental quantities specified in the annual invitation in ascending order. up until such time and on the basis of a provisional allocation of capacity in accordance with paragraph 2.6, exclusive of capacity to be made available pursuant to the Incremental Entry Capacity Release Statement.

Add new paragraph 2.2.18 to read as follows:

2.2.18 In the event that following calculation of the provisional Stability step-price Group (in accordance with paragraph 2.2.17) for each calendar quarter and each Aggregate System Entry Point following submission of quarterly capacity bids on the next following invitation date, the provisional Stability step-price Group remains unchanged in respect of all but four or fewer calendar quarters and Aggregate System Entry Point combinations:

- (a) Transco shall by not later than 08:00 hours on the next following annual invitation date, notify Users that this paragraph 2.2.18 applies and that the annual invitation period has ended; and
- (b) Users shall not be not be permitted to submit and Transco shall not be permitted to accept any further quarterly capacity bids in respect of the annual invitation.

Amend paragraph 2.6.5 to read as follows:

....

- (f) the "Stability Group" is the step price group, when considering the incremental quantities specified in the annual invitation in ascending order, in respect of which the step price group quantity is first equal to or less than the incremental quantities specified in the annual invitation in ascending order.

TRANSTIONAL DOCUMENT PART II

Insert paragraph 8.1.3 (A)

8.1.3(A) In respect of any annual invitation for Quarterly System Entry Capacity conducted prior to 1st November 2003 the requirement in paragraph B.2.2.18 shall be that the Stability Group remains unchanged in respect of all calendar quarters and Aggregate System Entry Point combinations.

Yours sincerely,

Julian Majdanski
Modification Panel Secretary