

27/05/2005

Dear Colleague,

**NOTICE OF IMPLEMENTATION
MODIFICATION PROPOSAL No:0012(0739)**

'New Seasonal Demand Derivation and Associated AQ Impacts'

Please note that Modification Proposal No0012(0739) will be implemented with effect from 6:00:00hours on 01/06/2005. The Final Modification Report, Version 2.0 was signed by Ofgem on 26/05/2005.

The new Code text resulting from this Modification follows.

Modified Text:

Amend paragraph 3.4.1 to read as follows:

“Subject to paragraph 3.4.3, the Annual Quantity (“AQ”)...”

Amend paragraph 3.1.2 to read as follows:

“Subject to paragraph 3.4.4, in the circumstances in paragraph 3.2.4...”

Add new paragraph 3.4.3 to read as follows:

“Where a review has taken place pursuant to paragraphs 1.4.2 and 1.5.2 (for the purposes of this paragraph 3.4.3 and paragraph 3.4.4, the “Review”) the Annual Quantity for an NDM Supply Meter Point applicable from the start of the Gas Year in which the Review took effect will use revised Applicable Demand Models derived from the data used to calculate the Applicable Demand Models for the Gas Year immediately prior to the Gas Year that the Review took effect, together with the revised Composite Weather Variables and seasonal normal values, to calculate the values of ALPt, DAft and EWCFt.”

Add new paragraph 3.4.4 to read as follows:

“Notwithstanding paragraph 3.1.2, where a Review has taken place and the provisions of paragraph 3.4.3 apply, the Annual Quantity or the Provisional Annual Quantity of the NDM Supply Meter Point will be calculated as follows:

$$\underline{AQ = AQ_i \times \frac{A}{B}}$$

Where:

AQ1 = the Annual Quantity or the Provisional Annual Quantity of the NDM Supply Point applicable for the Preceding Year.

$$\underline{A = \sum_{i=1}^{365} SNDE_t}$$

Where the values of SNDE_t shall be derived using revised Applicable Demand Models derived from the data used to calculate the Applicable Demand Models for the Gas Year immediately prior to the Gas Year that the Review took effect, together with the revised Composite Weather Variables and seasonal normal values

$$\underline{B = \sum_{i=1}^{365} SNDE_t}$$

Where the values of SNDE_t shall be derived using the Applicable Demand Models for the Gas Year immediately prior to the Gas Year that the Review took effect.

Yours sincerely,

Julian Majdanski
Modification Panel Secretary