

TRANSCO NETWORK CODE MODIFICATION PROPOSAL No. 0718
"Provision and Maintenance of Large Firm Supply Point Emergency Contact
Information by the Gas Transporter"
Version 1.0

Date: 10/09/2004

Proposed Implementation Date: 01/01/2005

Urgency: Non-Urgent

Justification

The requirement to Provide and Maintain Emergency Contact information for Large Firm Gas Users currently resides with Gas Shippers and Suppliers. The robustness of the data provided through this route is tested through annual exercises managed by the incumbent Transporter and overseen by the Health and Safety Executive (HSE).

The HSE have, as a result of previous exercises, expressed concerns over the robustness of the Emergency contact information in allowing the Transporter to make the appropriate contact with the Large Firm Gas User thus allowing the reduction of consumption at critical times and avoiding the need to interrupt Domestic consumers.

BP believes that improvements in the robustness of data can be achieved by placing the responsibility for acquiring and maintaining Emergency Contact Information on the Gas Transporter. In doing so we believe we address a number of shortcomings in the existing arrangements: -

- The Shipper / Supplier relationship with the customer is based on a background of a commercial and competitive supply market. Due to the nature of the gas contractual cycle, the relationship with the site can be temporary and the ability to enforce compliance by the end customer may be difficult for those in a short-term competitive commercial relationship. Also, a common approach to enforcement for all customers cannot be administered.
- The initial source of data at the start of the Supply Agreement may be superseded by changes on site that are not seen by the customer as being connected to the commercial contract for Gas Supply and are therefore not notified to the Supplier. Where the Gas Supply contracts are long-term arrangements the risk of initial information falling out of date is increased.
- Shippers / Suppliers, when seeking to source and update such information, act independently of each other and the Transporter. Since the information required is generic and for a common purpose, difference in timing and the approach / method of acquisition affects the consistency, quality and robustness of the data. The requirement for multiple parties to carry out update programmes is inefficient and can lead to mixed messages for customers.

- The Transporter is the party who needs and actively uses the Emergency Contact Information to manage load reduction on their Network.
- The Gas Transporter has the long-term relationship with the customer's site and is the party for which this information holds greatest value.
- Collection of data by a number of disparate parties in an inconsistent manner is inefficient and does not achieve the benefits that a co-coordinated and centralised approach would achieve through the consistency of message and better scope for economies of scale.
- The Gas Transporter is the party who acts on the information in making contact with the customer in order to mitigate the risk of broader interruption across its Networks and to avoid disruption to Domestic Consumers.
- The Transporter has the requisite powers to effect interruption at the customer's site if necessary on the grounds of safety.

It is BP's belief that a strong case exists to place the obligations for Provision and Maintenance of Large Firm Emergency Contact Information on the relevant Gas Transporter. In doing so we believe that improvements to the efficiency and effectiveness of the process can be achieved, leading to greater assurance that appropriate action can be taken to reduce the risk of interruption to Domestic consumers.

Nature of Proposal

To place the obligation for the place the Provision and Maintenance of Large Firm Emergency Contact Information on the relevant Gas Transporter.

Purpose of Proposal

To ensure the most efficient and effective method of collecting and maintaining Large Firm Emergency Contact Information is achieved, leading to greater confidence in the ability for the Transporter to be able to call off firm gas use in an emergency, thus avoiding the potential interruption to Domestic consumers.

Consequence of not making this change

The existing arrangements will continue and the concerns raised by the HSE following annual emergency exercises regarding the robustness of Large Firm Emergency Contact Information would be unlikely to be satisfactorily addressed.

Area of Network Code Concerned

Section Q2.3

Proposer's Representative

Beverley Ord (BP Gas Marketing Ltd)

Proposer

Steve Mulinganie (BP Gas Marketing Ltd)

Signature

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