

**TRANSCO NETWORK CODE MODIFICATION PROPOSAL No. 0724**  
"Acceptance of Gemini Energy Implementation by Shippers"  
Version 1.0

**Date:** 15/10/2004

**Proposed Implementation Date:** 01/12/2004

**Urgency:** Non-Urgent

**Justification**

Transco has implemented the capacity component of Gemini which replaced the RGTA system. It is now in the process of implementing the energy component to replace AT-Link for energy balancing purposes. Shippers have argued from the beginning of this project that they need full involvement in the design and development of these replacement systems to ensure that they function properly for shippers' purposes. Shippers' preference is for a system which is an improvement on what is already in place, in line with current IT infrastructure.

While Transco has recently improved communications with shippers, there remains concern that the next phase of Gemini may not be fit-for-purpose from a shippers' perspective. This concern is based on a perception that the shipper uses and requirements for the Gemini system are not well understood by Transco. There is also concern amongst shippers that there could be a negative impact on efficient and safe balancing of the system if robust information systems are not maintained.

It is therefore proposed that the Gemini system is only implemented if it meets criteria agreed by Transco and shippers and that it is only implemented if Transco considers it meets the criteria and a majority of shipper representatives also agree. As shippers have already elected representatives to the Network Code Committee (NCC), it would appear appropriate that this is used.

**Nature of Proposal**

Gemini is only implemented if a two-thirds majority of NCC shipper representatives vote for it to go ahead. Two-thirds is used to ensure that reasonable proposals to implement cannot be held up due to individual shipper requirements although we would expect all Network Code Committee members would continue to act as representatives of the whole shipping community.

It is envisaged that the NCC would only vote on recommendation from the appropriate Gemini Shipper Working Group.

This proposal also proposes that the Gemini Shipper Working Group's terms of reference are updated to include development of acceptance criteria for agreeing implementation. Acceptance criteria would be expected to include items such as functionality, risk, performance etc. The Working Group's proposals would then need to be ratified by the UK Link committee. Implementation of Gemini could not occur

less than six months after initial approval by the UK Link Committee of the acceptance criteria.

### **Purpose of Proposal**

The purpose of this proposal is to ensure that shippers' requirements are met in the implementation of Gemini using acceptance criteria agreed with all users of the system, ie Transco and shippers.

### **Consequence of not making this change**

This proposal furthers Transco's Condition 9 requirements by ensuring that Transco can continue to meet its licence requirements to operate its pipeline network in an efficient manner at the same time as it further efficient competition between shippers by allowing them efficient access to the network systems.

### **Area of Network Code Concerned**

Section U

### **Proposer's Representative**

Tanya Morrison (Shell Gas Direct Ltd)

### **Proposer**

Tanya Morrison (Shell Gas Direct Ltd)

### **Signature**

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