

28/07/2003

Dear Colleague,

**NOTICE OF IMPLEMENTATION
MODIFICATION PROPOSAL No: 0626**

"Structure of the NTS SO Commodity Charge"

Please note that Modification Proposal No 0626 will be implemented with effect from 06:00 hours on 01/10/2004. The Final Modification Report, Version 2.0, was signed by Ofgem on 25/07/2003.

The new Network Code text resulting from this Modification follows.

Modified Text:

SECTION B: SYSTEM USE AND CAPACITY

Amend title of paragraph 2.11 to,

“Entry Charges, NTS Entry Commodity Charges and Capacity Surrender Charges.”

Amend paragraph 2.11.1 to read,

“2.11.1

- (i) A User shall pay Capacity Charges (“**System Entry Capacity Charges**”) in respect of its Registered System Entry Capacity at Aggregate System Entry Points, and
- (ii) Commodity Charges (“**NTS Entry Commodity Charges**”), in respect of the flow of gas into the NTS on any day, or a charge calculated by reference to Special Condition [28B] of the Transco Licence.”

Renumber existing paragraph 2.11.6 as 2.11.7; Insert new paragraph 2.11.6,

“2.11.6 The NTS Entry Commodity Charge payable by a User in respect of each Day will be determined for each NTS Entry Point as the User Daily Quantity Input less any quantity to which the NTS Optional Commodity Rate applies in accordance with Code multiplied by the Applicable Commodity Rate for such Commodity Charge.”

Amend paragraph 2.11.7. to read,

“2.11.7. System Entry Capacity Charges, NTS Entry Commodity Charges and Capacity Surrender Charges.....”

Amend paragraph 3.5.1(ii) to read,

“3.5.1(ii) Commodity Charges (“NTS Exit Commodity Charges”)”

Amend paragraph 3.5.3 to read,

“3.5.3 The NTS Exit Commodity Charge payable (for any Day) by a User will be determined (for each NTS Exit Point) as”

Amend paragraph 3.5.4 to read,

“3.5.4 NTS Exit Capacity Charges and NTS Exit Commodity Charges will be invoiced...”

Amend paragraph 3.5.5 to read,

“3.5.5 “.....the Applicable commodity rate of NTS Exit Commodity Charge in respect of a ...”

“3.5.5(ii) “The NTS Exit Commodity Charge payable ...”

SECTION S : INVOICING AND PAYMENT

Amend Annex S-1, paragraph 4 to read:

“4. Commodity Invoice

A “Commodity Invoice” is an Invoice Document in respect of any or each of the following Invoice items:

- (a) (i) NTS Entry Commodity Charges;
- (ii) NTS Exit Commodity Charges; and
- (iii) NTS Optional Commodity Charges;
- (b)”

Amend Annex S-1, paragraph 6(b) to read:

“6.

- (b) Reconciliation Transportation Charge Adjustment in respect of the NTS Exit Commodity Charge”

Yours sincerely,

Julian Majdanski
Modification Panel Secretary