

TRANSCO NETWORK CODE MODIFICATION PROPOSAL No. 0418

"Waiver of Two Month Notice Period for Pricing Consultation 61: Monthly System Entry Capacity Floor Prices."

Version 2.0

Date: 27/10/2000

Proposed Implementation Date: 10/08/2000

Urgency: Urgent

Justification

Pricing Consultation PC61 proposed a change in methodology for the calculation of Monthly System Entry Capacity (MSEC) floor prices. Ofgem's decision not to veto the proposal was given on 21 July 2000. Implementation of the new methodology is intended to apply to auctions of MSEC which commence on 14 August 2000.

This proposal therefore requires Urgent status to ensure that this timetable is achievable.

Nature of Proposal

During industry discussions regarding Pricing Consultation 61 it has been agreed that it would be appropriate to amend the methodology and that the resulting adjustments to MSEC floor prices should take effect for the MSEC auctions commencing on 14 August 2000.

In view of this, the Network Code requirement for two months notice of change, as detailed in Section B 1.8.2, will not be achievable. It is therefore proposed that the Transitional document should allow for this requirement to be waived in respect of Pricing Consultation 61.

Purpose of Proposal

The purpose of the proposal is to allow for the implementation of revised transportation charges, as introduced by Pricing Consultation 61, to be implemented with effect from 10 August 2000.

Consequence of not making this change

Transco will not be able to amend transportation charges from 10 August 2000 in accordance with the decision reached in Pricing Consultation 61.

Area of Network Code Concerned

Section B 1.8.2

The proposed legal text is as follows :

Transition document, Part II

Amend text at paragraph 8.1.1 to read as follows:

"B1.8 In respect of Pricing Consultations ~~48, 49 and 61~~ 61 the requirement in Section B1.8.2 ..."

Proposer's Representative

Russell D Cooper (Transco)

Proposer

Tim M Davis (Transco)

Signature

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