

MODIFICATION PROPOSAL: 0014

SHORT TITLE: Margins and Top-Up Anomalies

DATE: 11 April 1996

PROPOSED IMPLEMENTATION DATE: 18 April 1996

URGENCY: Urgent
Circumstances - necessary to correct drafting error.
Procedures followed - Draft note to shippers and OFGAS circulated 2/4/96. Meeting held on 4/4/96 followed by representations.

JUSTIFICATION: To ensure continued operation of the flexibility market.

CONSEQUENCE OF NOT MAKING THIS CHANGE: Flexibility cap reached resulting in flexibility only taken from British Gas Trading.

AREA OF NETWORK CODE CONCERNED

Transition Document Part II, paragraph 4.2.

NATURE OF PROPOSAL: For the purpose of calculating the monthly cap in paragraph 4.2.2 of the Transition Document Part II, it is necessary for margins and top-up payments and receipts to be treated on the same basis. Refer to the attached annex for a more detailed explanation.

Proposed text is as follows:

Transition Document Part II -

In paragraph 4.2.5 (a), insert (after "Basic Net Neutrality Amounts") the following;

"and the amounts referred to in paragraph 4.2.7".

Add a new paragraph 4.2.7 as follows:

"4.2.7 The amounts referred to in paragraph 4.2.5 (a) are the following amounts (which are comprised in Adjustment Neutrality Amounts pursuant to Section F4.5):

- (i) Daily Margins Recovery Amounts;

- (ii) amounts falling to be treated as additional Balancing Neutrality Adjustment Revenues by virtue of what is provided (under paragraph (4)) in respect of Section P5 in paragraph 8 of this Part II".

PURPOSE OF PROPOSAL: Equitable treatments of Balancing Margins and Top-up costs and revenues with flexibility market costs and revenues for the calculation of the Phase 1 cap.

SYSTEMS IMPLICATIONS: Internal to TransCo only.

IDENTITY OF PROPOSER'S REPRESENTATIVE: Chris Train

PROPOSER : Chris Train
SIGNATURE :
POSITION : Energy Balancing Manager
COMPANY : TransCo

MODIFICATION PANEL SECRETARY'S USE ONLY

Reference Number: 0014

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