

04/10/2005

Dear Colleague,

**NOTICE OF IMPLEMENTATION
MODIFICATION PROPOSAL No:0036**

"Limitation of incremental capacity offered in QSEC auctions"

Please note that Modification Proposal No 0036 will be implemented with effect from 06:00 hours on 05/10/2005. The Final Modification Report, Version 3.0, was signed by Ofgem on 04/10/2005.

The new Code text resulting from this Modification follows.

Modified Text:

Transportation Principal Document Section B

Amend paragraph 2.2.3(c)(i) to read as follows:

- (i) the relevant number of incremental amounts (each being for a different amount) of Quarterly NTS Entry Capacity greater than the Baseline Entry Capacity (the maximum incremental amount being the lower of (1) an amount not less than an amount equal to 150% of NTS SO Baseline Entry Capacity and (2) an amount determined by the application of Transco NTS's Incremental Entry Capacity Release Statement) (each amount an "**incremental capacity amount**"); and

Amend paragraph 2.2.18(d)(v)(1) to read as follows:

- (1) the relevant number of incremental capacity amounts of Quarterly NTS Entry Capacity greater than the NTS SO Baseline Entry Capacity (the maximum incremental amount being the lower of (1) an amount not less than an amount equal to 150% of NTS SO Baseline Entry Capacity and (2) an amount determined by the application of Transco NTS's Incremental Entry Capacity Release Statement); and

Yours sincerely,

Julian Majdanski
Modification Panel Secretary