

Representation For UNC Modification Proposal 0050
“Storage Monitor Adjustment”

Date of Communication: 10/10/2005
External Contact: Ritchard Hewitt (National Grid – UKT)
Slant: For
Strictly Confidential: No
Submitted By: Email Submitted

Abstract

Dear Julian,

Thank you for your invitation seeking representations with respect to the above Modification Proposal.

As the initiator of this Proposal, Transco NTS fully supports its implementation.

Transco NTS would like to take this opportunity to restate that the intent of this proposal is to align its rights under the Uniform Network Code in relation to the upward adjustment of the Safety and/or Firm Gas Monitor levels with the obligation placed on it by the Gas Safety (Management) Regulations to take appropriate actions to minimise the risk of a Network Gas Supply Emergency.

At the Transmission Workstream meeting held on the 6th October 2005, Transco NTS were requested to review the Legal Text submitted with its original Proposal with a view to providing greater clarity on certain points. In response to the comments raised at the Transmission Workstream, Transco NTS agrees that a document setting out the reasons for any changes to the storage monitors would be appropriate and legal text attached to this Representation includes suggested changes to incorporate the requirements for the provision of this document. The revised legal text also seeks to clarify that changes to the Storage Monitors will only be made where changes to the underlying supply and demand position are sufficiently material to warrant such a change.

The Transmission Workstream also commented on the need for a notice period prior to any change to the monitor levels. Transco NTS does not consider this to be appropriate as the legislative requirements underpinning the requirement for this Modification Proposal do not facilitate such a notice period. We therefore consider that it would be inappropriate for Transco NTS to delay instigating a change which was required in order for it to remain compliant with the legislation.

Transco NTS do not consider that the changes to the legal text change the intent of the proposal. In light of this request Transco NTS is providing amended Legal Text herewith.

UNC Modification Proposal Number 0050
Storage Monitor Adjustment
Legal text for Urgent Modification Report

TPD Section Q

Amend paragraph 5.2.5 to read as follows:

- “5.2.5 Transco NTS will keep under review the information previously notified pursuant to paragraphs 5.2.1, 5.2.2 and/or 5.2.3, together with any information available to Transco NTS in respect of its estimates of expected deliveries to or offtakes from the Total System, and may:
- (a) reallocate the Safety Monitor and/or the Firm Gas Monitor between Storage Facility Types in order to enhance the security provided by current storage stocks;
 - (b) reduce a Safety Monitor and/or a Firm Gas Monitor to reflect longer-term demand forecasts (for example, during the later Days of the Winter Period);
 - (c) adjust a Safety Monitor and/or a Firm Gas Monitor to reflect the occurrence of severe weather; and
 - (d) increase or reduce (as the case may be) a Safety Monitor and/or a Firm Gas Monitor to reflect any material change in Transco NTS’s estimates of expected deliveries to or offtakes from the Total System.”

Amend paragraph 5.2.6 to read as follows:

- “5.2.6 Where Transco NTS undertakes any of the actions specified in paragraph 5.2.5, Transco NTS will:
- (a) in respect of any of the actions specified in paragraphs 5.2.5(a) to 5.2.5(c), notify Users of any material changes in the information previously notified pursuant to paragraphs 5.2.1, 5.2.2 and/or 5.2.3; and
 - (b) in respect of any of the actions specified in paragraph 5.2.5(d), notify Users of the reasons for such action being taken.

Yours Sincerely,

Ritchard Hewitt
National Grid – UK Transmission