

Modification Report
Publication of Information in the Maintenance Programme
Modification Reference Number 0060
Version 2.0

This Modification Report is made pursuant to Rule 7.3 of the Modification Rules and follows the format required under Rule 9.6.

1. The Modification Proposal

The Proposal was made as follows:

"In the NTS Maintenance Programme, Transco NTS is required to publish information relating to affected NTS System Entry and Exit Points. In practice, more specific information has related only to affected Aggregated System Entry Points (ASEPs). Information relating to NTS System Exit Points comprises only a list of Maintenance Affected Exit Points. The 2005 Maintenance Programme identified 31 such Exit Points.

It is proposed that information on affected NTS Connected System Exit Points and NTS Supply Points be made available to the relevant shipper(s) and consumer at these points at the same time as publication of the rest of the Maintenance Programme. The information should include the expected dates of the supply interruption and whether a full or partial cessation of the offtake of gas will be required.

Implementation of this Modification Proposal would reinforce the requirement to provide specific information relating to individual Supply Points, whilst maintaining commercial confidentiality.

Non-implementation would mean a continuation of the present lack of co-ordination between shippers, affected sites and Transco NTS regarding maintenance and plant shutdowns."

2. Extent to which implementation of the proposed modification would better facilitate the relevant objectives

(Section 11 summarises the responses and the abbreviations used)

The Proposer argued the following:

"Allowing parties directly associated with affected Supply Points to better co-ordinate their planned activities with the Transporter would enhance the efficient and economic operation of the pipeline system.

It would also help National Grid NTS focus on the original intent of the code, without compromising commercial confidentiality and thus promoting the efficient discharge of the licensee's obligations under its licence.

By reducing the uncertainties associated with Maintenance Programmes, these proposed improvements in co-ordination would serve to further the securing of effective competition between relevant shippers and between relevant suppliers."

AEP agreed that, *“this should enhance the efficient and economic operation of the system by supporting improved co-ordination of maintenance plans between the transporter and affected parties”* and that *“the improved co-ordination should serve to facilitate effective competition.”*

BGT stated that, *“This will further relevant objectives by enhancing the efficient and economic operation of the pipeline system.”*

E.ON also agreed with the Proposer that, *“this will allow relevant parties to better coordinate their planned activities with the Transporter, which would enhance the efficient and economic operation of the pipeline system, thus facilitating relevant objective A11.1 (a).”*

NGNTS believed that, *“the proposal would better facilitate the relevant objectives by increasing the efficient and economic operation of the pipeline system. This will be achieved through improving co-ordination of the planned activities of the consumer and National Grid NTS leading to a reduced need for works to be rescheduled.”*

NGUKD commented that *“...the proposal would better facilitate the relevant objectives by increasing the efficient and economic operation of the pipeline system through the improved coordination of the planned activities of NTS consumers and National Grid NTS.”*

SCP expressed the view that, *“implementing this modification will further the relevant objectives by improving the efficiency of the maintenance of the system. Furthermore the commercial confidentiality of such affected parties will be preserved, promoting competition. Should this proposal not be implemented we would expect to see further problems in the co-ordination of plant outages and maintenance in future, and a hindrance of competition.”*

3. The implications of implementing the Modification Proposal on security of supply, operation of the Total System and industry fragmentation

None identified.

4. The implications for Transporters and each Transporter of implementing the Modification Proposal, including

a) implications for operation of the System:

SSE believed that, *“implementation of the proposal should enhance the efficient and economic operation of the pipeline system as it would provide for improved coordination of maintenance plans between the transporter and affected parties.”*

BGT stated that, *“It will also have the benefit of allowing National Grid NTS to apply the original intent of the code, without compromising commercial confidentiality. This would in turn promote the efficient discharge of the licensee's obligations under its licence.”*

b) development and capital cost and operating cost implications:

NGNTS identified that, “The proposal, if implemented, will have a minor resource impact on National Grid NTS to produce the additional maintenance notices.”

c) extent to which it is appropriate to recover the costs, and proposal for the most appropriate way to recover the costs:

Not appropriate.

d) analysis of the consequences (if any) this proposal would have on price regulation:

No such consequences have been identified.

5. The consequence of implementing the Modification Proposal on the level of contractual risk of each Transporter under the Code as modified by the Modification Proposal

NGNTS stated that, “*The UNC places a requirement on National Grid NTS to publish a Maintenance Programme that identifies maintenance affected connections and the periods for which it is expected that they will be affected. However, due to confidentiality requirements, specific information relating to NTS System Exit Points has not historically been published. The proposal that information on affected NTS Connected System Exit Points and NTS Supply Points be made available to the relevant shipper(s) and consumer at these points at the same time as publication of the Maintenance Programme is a pragmatic approach to ensuring that consumers receive early information relating to possible disruption to their gas supplies whilst maintaining commercial confidentiality.*” and therefore, “*The information to be provided should be consistent with the requirements for the Maintenance Programme specified in TPD Section L 3.2.1,*” which “*may, in some cases, mean that precise dates are provided; whilst for other cases only a “window” (of typically two weeks) can be provided. In the latter case, precise dates are confirmed in accordance with the further provisions of UNC.*”

6. The high level indication of the areas of the UK Link System likely to be affected, together with the development implications and other implications for the UK Link Systems and related computer systems of each Transporter and Users

No such areas or implications have been identified.

7. The implications of implementing the Modification Proposal for Users, including administrative and operational costs and level of contractual risk

No such implications have been identified.

8. The implications of implementing the Modification Proposal for Terminal Operators, Consumers, Connected System Operators, Suppliers, producers and, any Non Code Party

No such implications have been identified.

9. Consequences on the legislative and regulatory obligations and contractual relationships of each Transporter and each User and Non Code Party of implementing the Modification Proposal

No such consequences have been identified.

10. Analysis of any advantages or disadvantages of implementation of the Modification Proposal

The following have been identified:

Advantages

In AEP's view *"Implementation would provide affected parties with better information concerning planned maintenance that they currently receive and will preserve the commercial confidentiality of that information. This will ensure better co-ordination of maintenance and plant shut down."*

BGT stated that, *"The availability of this information will assist Users in making appropriate arrangements for any outages required for maintenance at their customers premises."* BGT also commented that, *"These proposed improvements in co-ordination would also serve to further secure effective competition between relevant shippers and between relevant suppliers by reducing the uncertainties associated with Maintenance Programmes"* and that *"It will also have the benefit of allowing National Grid NTS to apply the original intent of the code, without compromising commercial confidentiality. This would in turn promote the efficient discharge of the licensee's obligations under its licence."*

NGNTS commented that, *"the proposal that information on affected NTS Connected System Exit Points and NTS Supply Points be made available to the relevant shipper(s) and consumer at these points at the same time as publication of the Maintenance Programme is a pragmatic approach to ensuring that consumers receive early information relating to possible disruption to their gas supplies whilst maintaining commercial confidentiality."*

NGUKD was supportive *"of this modification in principle as the exchange of information between National Grid NTS and the appropriate NTS shippers and consumers for all NTS connected sites should help to minimise disruption of gas supplies."* However, it also believed that *"this is best achieved by the specific information being provided to the appropriate Relevant Parties rather than to all shippers and consumers affected by the planned NTS Maintenance Programme."*

RWE believed it would *"provide sites connected to the NTS with information regarding planned maintenance in a more timely and effective manner"*, and that *"this could allow NTS connected sites and National Grid to co-ordinate*

maintenance plans more effectively thus resulting in greater efficiency of the system."

SCP commented that, *"There have been a number of changes over the last few years impacting the number of directly connected supply points and the competitive nature of the market in which they operate. This modification seeks to make one positive change to the procedures surrounding planned maintenance contained in Section L of the Uniform Network Code which we believe will be of benefit to the user and the transporter."*

Disadvantages

None have been identified.

11. Summary of representations received (to the extent that the import of those representations are not reflected elsewhere in the Modification Report)

Representations were received from the following 8 parties:

Association of Electricity Producers	AEP	Support
British Gas Trading Ltd	BGT	Support
E.ON UK Plc	E.ON	Support
National Grid Gas plc (NTS)	NGNTS	Support
National Grid Gas plc (UK Distribution)	NGUKD	Support
RWE Npower plc	RWE	Support
Scottish Power	SCP	Support
Scottish & Southern Energy	SSE	Support

All respondents supported the Modification Proposal.

Legal Text

NGNTS suggested that alternative text would give greater clarity, as it believed that *"the proposed legal text could be misinterpreted as requiring **all** the information required under clause 3.2.1 to be provided to Maintenance Relevant Parties, rather than site specific information to be provided to the appropriate Maintenance Relevant Parties,"* and believed that *"the following text (amended from that proposed) better meets the intention of the proposal."*

AEP stated that it was *"aware that National Grid has submitted a early response with proposed changes to the legal text we agree that this provides greater clarity."*

In its representation SCP commented that, *"As proposer of this modification, we acknowledge that the legal text could be clearer on the substance and target of the information – hence we support the amendments put forward by National Grid in their response. Should this proposal not be implemented we would expect to see further problems in the co-ordination of plant outages and maintenance in future, and a hindrance of competition."*

(The amendments put forward by NGNTS have therefore been incorporated into the legal text in Section 19 below.)

12. The extent to which the implementation is required to enable each Transporter to facilitate compliance with safety or other legislation

No such requirement has been identified.

13. The extent to which the implementation is required having regard to any proposed change in the methodology established under paragraph 5 of Condition A4 or the statement furnished by each Transporter under paragraph 1 of Condition 4 of the Transporter's Licence

No such requirement has been identified.

14. Programme for works required as a consequence of implementing the Modification Proposal

No programme for works has been identified.

15. Proposed implementation timetable (including timetable for any necessary information systems changes)

The Proposer has indicated an immediate implementation date.

16. Implications of implementing this Modification Proposal upon existing Code Standards of Service

No such implications have been identified.

17. Recommendation regarding implementation of this Modification Proposal and the number of votes of the Modification Panel

At the Modification Panel Meeting held on 15 December 2005, of the 9 Voting Members present, capable of casting 9 votes, 9 votes were cast in favour of implementing this Modification Proposal. Therefore the Panel recommend implementation of this Proposal.

18. Transporter's Proposal

This Modification Report contains the Transporter's proposal to modify the Code and the Transporter now seeks direction from the Gas & Electricity Markets Authority in accordance with this report.

19. Text

UNIFORM NETWORK CODE - TRANSPORTATION PRINCIPAL DOCUMENT

SECTION L - MAINTENANCE AND OPERATIONAL PLANNING

- 3.2.2** Without prejudice to paragraph 3.4.1, the information specified in paragraph 3.2.1 will be identified for NTS Supply Points, NTS Connected System Exit Points and NTS System Entry Points individually and will only be provided to the relevant Maintenance Relevant Party at each NTS Connected System Exit Point and NTS Supply Point.

Subject Matter Expert sign off:

I confirm that I have prepared this modification report in accordance with the Modification Rules.

Signature:

Date :

Signed for and on behalf of Relevant Gas Transporters:

Tim Davis
Chief Executive, Joint Office of Gas Transporters

Signature:

Date :