

Promoting choice and value to customers

The Joint Office, Relevant Gas Transporters and other interested parties Our Ref: Net/Cod/Mod/UNC0108 Email: modifications@ofgem.gov.uk

16 August 2006

Dear Colleague,

Request for urgent status for modification proposal UNC108: 'Publication of near real time data at GB storage sites'.

Following consideration of the request that modification proposal 108: '*Publication of near real time data at GB storage sites*' follow urgent modification procedures, Ofgem has today agreed to that request.

Uniform Network Code modification 006 (UNC006)¹, which was accepted by the Authority in May 2006² and is scheduled to be implemented on 3 October 2006, will require National Grid (National Transmission System) (NG (NTS)) to publish the volume of gas supplied to all entry points that are owned by NG (NTS) and all entry and sub-terminals which are capable of accepting gas flows at rates greater than 10mcm/day.

In order to address the Proposer's concern that the implementation of UNC006 will reveal the market position of Storage Operators, <u>modification proposal 108</u>³ seeks to provide a single gas flow data point which will encompass all Storage Facilities. It is envisaged that this aggregation of data will protect the relative positions of each Storage Facility Operator.

Whilst Ofgem is disappointed that a modification proposal seeking to alter the effect of UNC006 has been raised as urgent so near to its implementation, particularly given the extensive consultations that modification went through, in reaching our decision on granting urgent status we have considered the details contained within the modification proposal and the Proposer's justification for urgency. Ofgem considers that this proposal satisfies the criteria for granting urgent status to a modification proposal, as set out in its published guidelines⁴. In particular, we note that this proposal is linked to a specific date related event, the implementation of UNC006. We also consider that there may be a significant commercial impact upon affected Users if this proposal follows non-urgent procedures.

- ¹3rd Party Proposal: Publication of Near Real Time Data at UK sub-terminals
- ²www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/14822 8006.pdf
- ³<u>www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/16155</u> UNC108ModProp.pdf?wtfrom = /ofgem/work/in dex.jsp§ion = /areasofwork/gasgovernance

⁴www.ofgem.gov.uk/temp/ofgem/cache/cmsattach/11700 Urgency Criteria.pdf

For the avoidance of doubt, in accepting this request for urgency, Ofgem has made no assessment of the merits of the modification proposal and nothing in this letter in any way fetters the discretion of the Authority in respect of this modification proposal.

Urgency Timetable

Ofgem has agreed to the following timetable for this modification proposal:

Submit proposal to Ofgem for urgency	16/08/06
Ofgem grant urgent status	17/08/06
Proposal issued for consultation	17/08/06
1 st UNC 006 Pre-implementation workshop	11/09/06
Closeout for representations	12/09/06
Final Modification Report to the panel	18/09/06
Modification panel recommendation	21/09/06
Ofgem decision expected week commencing	25/09/06
Implementation date (subject to Ofgem's decision)	03/10/06

Ofgem has retained the Proposers suggested deadline of 12 September for representations, allowing both for the loss of a working day due to the August Bank Holiday and, if appropriate, discussions at the UNC 006 pre-implementation workshop on 11 September⁵, which may further inform respondents' views. Ofgem recognises that this timetable leaves a relatively short period for the UNC Panel members to consider responses before determining whether or not to recommend the implementation of this proposal, though we hope this will prove sufficient.

If you have any queries in relation to the issues raised in this letter, please feel free to email <u>modifications@ofgem.gov.uk</u>.

Yours sincerely,

Nick Simpson Director, Industry Codes and Licensing

⁵ For details please contact: <u>chris.logue@uk.ngrid.com</u>