

3rd March 1997

31 Homer Road
Solihull
West Midlands
B91 3LT
Telephone 0121 6264431

Dear Colleague,

AMENDMENT TO NOTICE OF IMPLEMENTATION MODIFICATION 0110

Calculation of Cumulative Imbalance Tolerance for New Shippers

The original notice of implementation sent to you on 21st February, 1997 contained an error in the legal drafting in paragraph 6.3.2 (c).

The amended text is highlighted in Italics and in bold. However, the text previously provided for Paragraph 6.3.4 remains unchanged.

Modified Text

Text provided pursuant to Rule 9

Transition Document Part II

Paragraph 6.3.2(c)

Amend paragraph 6.3.2(c) to read:

- (c) the "**Cumulative Imbalance Tolerance Quantity**" is the quantity of gas which is:
 - (i) in Phase 1, 3 times the arithmetic mean of the User's Imbalance Tolerance Quantity under paragraph 6.1(i),
 - (ii) in Phase 2, 7.5% of the arithmetic mean of the sum of the User's UDQIs and UDQOs

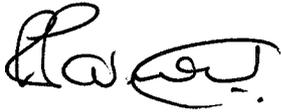
for each of the 29 Days (or if fewer the number of Days from 1st March 1996 or if later, the earlier of the date on which the User was first treated as delivering or offtaking quantities from the System or *for* which the User first made a Trade Nomination) preceding the NCI Day and the NCI Day (provided that from 1st September 1996 to the day preceding the date on which the Code Modification by virtue of which

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(ii) above applies in its current form, the Cumulative Imbalance Tolerance Quantity shall be 7.5% of the arithmetic mean of the sum of the User's UDQIs and UDQOs, for each of the 29 Days preceding the NCI Day and the NCI Day)."

Yours sincerely,

A handwritten signature in black ink, appearing to read 'R. Gray', written in a cursive style.

RP

Richard Gray
Secretary Modification Panel



28 February 1997

Direct Dial: 0171-932-1681

Our Ref :

Your Ref :

Phil Carter
Transco
31 Homer Road
Solihull
B91 6LT

Dear Phil

Modification 110: Calculation of Cumulative Imbalance Tolerance for New Shippers

You pointed out an error in the drafting of modification proposal 110 which you wished to correct.

The drafting provided contains the word "on" in the ninth line of the text of paragraph 6.3.2(c). In accepting the modification, it was Ofgas' understanding that the effect of the modification would be as if "on" was replaced with "for".

We are therefore happy for you to make this amendment to the text if you feel it is appropriate.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Peter Lambert', written in a cursive style.

Peter Lambert
Regulation and Business Affairs