

Urgent Modification Proposal

SHORT TITLE: Relief from Scheduling and Daily Imbalance Charges during period of UK-Link suspension for domestic migration

DATE: 17 December 1996

PROPOSED IMPLEMENTATION DATE: 9 - 20 January 1997 inclusive

MODIFICATION TYPE: URGENT

JUSTIFICATION:

To enable the second phase of domestic competition to proceed TransCo are required to extend the sites and meters database to include an additional 1.5 million customers. Modification 0093 was raised to facilitate this process and as a result UK-Link will be unavailable to shippers between 9th - 14th January inclusive. However, one significant consequence of this "shut-down" is the fact that shippers will not be receiving daily datalogger readings during this period, nor for several days thereafter, but relying instead on estimates. Particularly at this time of year, such estimates may well be unrepresentative of the customers real consumption. Accurate and timely datalogger readings are key to ensuring that shippers can forecast their DM demand with reasonable accuracy.

CONSEQUENCES OF NOT MAKING THIS CHANGE:

Reliance on estimated reads based on consumption at sites during a period of shut-down or reduced consumption due to the holiday period will impact on shippers' ability to forecast their DM demand. This will potentially expose shippers to both scheduling and imbalance charges for reasons outwith their control.

This is of particular concern at a time of year when the difference between SAP and SMP could make the costs very significant. The TransCo proposal relieves them of their obligation to promptly supply datalogger readings yet does not mitigate shippers exposure once these reads are finally received.

AREA OF NETWORK CODE CONCERNED:

t.b.a.

NATURE OF PROPOSAL:

During the relevant period as defined in Modification 0093 it is proposed that output scheduling charges be waived and some relief be given to SMP daily imbalance charges. To the extent that a shipper can demonstrate it has incurred SMP prices as a result of a reliance on estimates, then that degree of imbalance outside the ITQ should be charged at the daily SAP rather than SMP.

PURPOSE OF PROPOSAL:

To mitigate the commercial exposure to shippers of the consequences of a forced dependence on potentially very inaccurate estimated daily read estimates and the absence of datalogger readings during SPA shut-down .

PROPOSED TEXT:

t.b.a.

IDENTITY OF PROPOSER REPRESENTATIVE:

PROPOSER: Andy Laird
SIGNATURE:
POSITION: Transportation Advisor
COMPANY: BP Gas Marketing Limited

MODIFICATION PROPOSAL REFERENCE: