

Terms of Reference

Review Group 0117R - Capacity Booking (and associated) Rules at Interconnectors

Composition

Mike Piggin	Transco
Roger Brown	Transco
John Burley	Transco
Alan Raper	Transco
Sue Atkinson	Transco
Peter Bolitho/Steve Adams	Transco
Ian Trickle	Quadrant
Tom Briggs	Enron
Rob Barnett	ENG
Alison Beckett	Conoco
Harshad Doshi	BGT
Sophie Blum	Elf
Nigel Woolley	BP
Tony Taylor	Total
Lydia Latham	Amerada
David Cox	Ilex
To be named	National Power
Megan Watson	Ofgas

Scope of Review

On 24th February 1997, Ofgas approved Modification 0117 for implementation. Essentially, this set in place the following principles at relevant CSEPs;

1. NTS Exit capacity will not be oversold
2. Users can rebook capacity from one year to the next
3. Users may be required to provide bona fide evidence of a need for NTS Exit capacity
4. CSEP Users must appoint an Agent for nominations and communications
5. the Ancillary Agreement holds detailed terms applicable to all Users at that CSEP
6. the Ancillary Agreement enables an interruptible service to be offered.

It was recognised from the outset that Mod 0117 simply established high level principles prior to the development of detailed transportation terms at CSEP interconnectors. This detail will be contained in the relevant ancillary agreement specific to each interconnector.

This review group will also review the provisions of Modification 0134

This Review Group will therefore have two main purposes; firstly to consider the substance of Modifications 0117 and 0134 and put forward any immediate improvements, and secondly to consider any generic points impacting upon the Network Code arising from the parallel Ancillary Agreement Working Groups.

Work to be Undertaken

This Review Group will;

- review the content of Modification 0117 and 0134
- identify any additional issues that are generic to interconnector capacity management
- consider the rules which apply to VLDMC supply points to ensure consistency where appropriate.
- consider capacity rules at supply points to ensure that capacity users on other parts of the system are not disadvantaged by this review
- oversee the development of Ancillary Agreement terms, ensuring consistency of approach between the two interconnectors where appropriate

Specifically, the Review Group will consider (in the context of Modification 0117);

Capacity Booking Rules

- promotion of efficient capacity usage at CSEP Interconnectors
- Book it or Lose it, Use it or Lose it or any other appropriate methodologies
- Application of bona fide evidence requirements
- Management of capacity release

Interruptible Service

- Role of an interruptible service once long term incentives are in place to ensure release of surplus capacity
- Rules to allocate gas between firm and interruptible Users in the event of a capacity constraint

Other Generic Issues

- issues arising from the the detailed work on Ancillary Agreements carried out by the appropriate Work Groups

Areas of Network Code Concerned

Section J

5.6.1, 5.6.4, 5.8.3, 5.9, 5.10

Section B

3.2.4

Section E

1.3.4 (b)

Timetable

The first Review Group meeting will be scheduled for 24th April 1997, and thereafter at fortnightly intervals, or as considered necessary to facilitate development work on Ancillary Agreements.

The Review Group will produce the Review Group Report by 27th August 1997, for consideration by the Modification Panel on 18th September 1997.

Any proposed modifications to the Network Code arising from this Review Group will need to be implemented on a timescale consistent with the development of the Ancillary Agreements, and may therefore need to be proposed as Urgent.