

MODIFICATION PROPOSAL

SHORT TITLE. Multi AT-Link Accounts

DATE. 27 April 1998

URGENCY. Non-Urgent

JUSTIFICATION:

AGAS has attempted and failed to secure multi AT-Link accounts to support its business under the existing Network Code rules. Separation of activities will enable shippers to specifically identify and accurately attribute shipping costs to each discrete commercial activity, without having to go through the cumbersome and costly route of setting up separate companies. As far as we are aware the Network Code does not preclude this as such a request is not recognised. Transco have cited Section V 2.4 as a justification for not granting AGAS the service we requested. We believe that the clause is irrelevant and doesn't specifically prohibit the execution of such a request. Section V 2.4 states that:

"Unless expressly otherwise provided in the Code or agreed by Transco, a person may only be one User, and accordingly a person who is for the time being a User may not make a further application to be admitted as a User,"

The relevant definition of the User pertaining to this instance is contained within V2.1.2 (c) which establishes the requirement for the User to install and connect UK Link User Equipment and Software.

It is clear that the Network Code doesn't recognise the potential for such a service and in so doing fails to facilitate competition. This proposal attempts to establish a clear indication that such a service is appropriate as it is in the interests of the Shipping community.

CONSEQUENCE OF NOT MAKING THIS CHANGE

Transco's interpretation of the relevant provisions effectively means that any person who wishes to expand the number of AT-Link accounts under a single shipping License is precluded from doing so. We would reiterate that this interpretation is not borne out by the wording in the Code. Such restrictions imposes additional costs on the Shipper in question and indirectly the community as a whole. It would be reasonable to suspect that the additional costs incurred by Transco, and as a result the community, for establishing individual User accounts as detailed in

Section V2.1.1 to 2.1.4 would outweigh those attributable to allowing an individual User to service more than one AT Link account.

AREA OF NETWORK CODE CONCERNED:

Principal Document Section V 2.4 and Section U.

NATURE OF PROPOSAL:

Given Transco's resistance to allowing a single User to register more than one AT-Link Account this modification will remove the onerous and costly process, to all parties, of establishing individual Users as defined in the Code. There is a need for the Code to recognise the existence of AT-Link accounts.

We suggest that Section V2.4 is amended to allow a person to be more than one User. This should not be conditional upon approval by Transco. It should be recognised that the definition of User in this regard may need amending to reflect that the "multiusers user" is a single signatory to the Code e.g. the creation of a Sub-user. It is appropriate that the person can function under those provisions relevant to a single User e.g. a single credit limit (transportation or balancing) which can be applied to the sub-user accounts.

It would seem prudent to cap the number of accounts applicable to each User at a reasonable level to restrict the proliferation of accounts and to ensure that costs savings are realised. The level of the cap should be reviewed over time.

PURPOSE OF PROPOSAL

To allow a single User to service multi AT-Link accounts.

PROPOSER: Nicholas Wye

SIGNATURE:

POSITION: Senior Analyst, Transportation
COMPANY: AGAS Ltd.

Modification Number: 0240
Date Received: 3rd July 1998