Transco

29 September 1998

Network Code Development

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To: Shippers, Panel Members & Non-Network Code Parties

Dear Colleague,

NOTICE OF IMPLEMENTATION
MODIFICATION PROPOSAL No: 0244a
"Reduce Overrun Charges"
and
No: 0247a
"Alignment of Capacity & Flexibility Overrun Charges"

Please note that The Final Modification Reports , Version 1.0 was signed by Ofgas on *25/09/98*.for Modification Proposal No: 0244a and 0247a.

Modifications 0244 and 0247 have not been implemented.

With effect from 06.00 hours on *01/10/98*, the new Network Code text resulting from this Modification is detailed below.

Modified Text:

At Section B paragraph 2.5 Flexibility Overruns

Paragraph 2.5.3, delete and replace with:

> *"2.5.3 The Flexibility Overrun Charge shall be calculated as the amount of the flexibility overrun quantity multiplied by the relevant multiplier (determined as set out in paragraph 2.5.4) of the Applicable Daily Rate of the System Entry Capacity Charge".*

Re-number paragraph 2.5.4 as paragraph 2.5.5. Insert new paragraph 2.5.4 to read:

> *"2.5.4 The relevant multiplier is 8."*

At Section B, paragraph 2.6 Overrun Charges

Paragraph 2.6.1, delete and replace with:

> *"2.6.1 If for any reason the quantity of gas (excluding any Flexibility Quantity under a System Entry Buy) delivered by a User to the System at an Aggregate System Entry Point on any Day or Days("each an overrun day") exceeds the User's*

Available System Entry Capacity, the User shall pay a charge ("System Entry Overrun Charge") in respect of System Entry Capacity at that Aggregate System Entry Point."

Paragraph 2.6.2, delete and replace with:

"2.6.2 For the purposes of this paragraph 2.6, in respect of a User at an Aggregate System Entry Point, the "chargeable overrun quantity" in respect of an overrun day is the amount by which the sum of the User's UDQI's on that Day in respect of each System Entry Point comprised in the Aggregate System Entry Point, less the amount or aggregate amount of any Flexibility Quantity(ies), exceeds the User's Available System Entry Capacity."

Paragraph 2.6.3, delete and replace with:

"2.6.3 The System Entry Overrun Charge shall be calculated as the amount of the chargeable overrun quantity multiplied by the relevant multiplier (determined as set out in paragraph 2.6.4 by reference to the Aggregate System Entry Point) of the Applicable Daily Rate of the System Entry Capacity Charge".
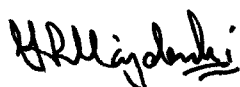
Paragraph 2.6.4, delete and replace with:

"2.6.4 The relevant multiplier is 8."

Paragraph 2.6.5, delete.

Paragraph 2.6.6, re-number as paragraph 2.6.5.

Yours sincerely

Julian Majdanski
Network Code Co-Ordinator