



Modification Proposal 248

Decision

Amendment to Supply Point Nomination Methodology

6 November 1998

This modification was accepted by Ofgas on 21 October.

Present Position

When a shipper wishes to adopt a new customer, who consumes more than 2,500 therms a year, the shipper is reliant upon Transco's supply point transfer process. Currently the supply point transfer process requires that a shipper first send a 'nomination' to Transco, in which the shipper provides the site details and requests from Transco a quote for the cost of transporting gas to it. Transco may refer the nomination to one of its district offices to assess whether its transportation system has the capacity to transport the volume of gas that it has been forecast the site will consume. When a nomination has been accepted by Transco, a quote for the cost of gas transportation is sent to the shipper. If the shipper chooses to continue with the transfer process, it sends a 'confirmation' to Transco, in which it confirms the date from which it will begin to supply gas. Currently it can be expected to take up to 31 working days for a customer to transfer supply to another shipper.

Proposal

This modification reduces the time it can be expected a supply point transfer will take to 21 days. A significant proportion of the time it takes for a supply point transfer is reduced if the potential referral to one of Transco's district offices during the nomination process is separated from the transfer process. This modification allows shippers to nominate and confirm a customer when there are no changes to the site's consumption, without having to wait for validation by a Transco district. If Transco needs to assess the capacity available before offering new and different transportation arrangements, it will do this after the site has transferred to the new shipper.

Possible Impact on Customers

Customers wishing to transfer the supply of their gas to another shipper can expect that transfer to be completed more quickly. Ofgas has suggested that Transco should consider how it will communicate the revised transfer timescales to customers, and that it should update all of its publications that refer to current transfer timescales to reflect the new procedures that Transco expects shippers to utilise.

Further Information

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