

25/11/2002

Dear Colleague,

**NOTICE OF IMPLEMENTATION  
MODIFICATION PROPOSAL No: 0576**

"Provision of information relating to the SO commodity charge"

Please note that Modification Proposal No 0576 will be implemented with effect from 06:00 hours on 01/12/2002. The Final Modification Report, Version 5.0, was signed by Ofgem on 22/11/2002.

The new Network Code text resulting from this Modification follows.

**Modified Text:**

**SECTION V: GENERAL**

**Paragraph 5 Information and Confidentiality**

Add new paragraph 5.10:

- "V.5.10      System Operator Commodity Charge Information
- V5.10.1      Transco shall arrange for the information referred to in Annex V-2 ('SO Commodity Charge Information') to be published in the manner and frequency specified in that annex.
- V5.10.2      Where Transco is not reasonably able to publish SO Incentive Data in the manner and frequency set out in Annex V-2, the requirements of paragraph V5.10.1 shall not apply, and Transco shall publish the SO Incentive Data as soon as is reasonably practicable."

"Add new Annex V-2:

<b>Annex V-2</b>	<b>SO Commodity Charge Information</b>			
<b>SO Commodity Charge Information description</b>	<b>Licence definition</b>	<b>period</b>	<b>reporting deadline</b>	<b>location</b>
forecast of annual System throughput for Formula Year t	N/A	Formula Year	On 1 April or as soon as reasonably practicable thereafter in Formula Year t-1	<a href="http://info.transco.uk.com">http://info.transco.uk.com</a>
forecast of monthly System throughput for Formula Year t	N/A	Formula Year	On 1 April or as soon as reasonably practicable thereafter in Formula Year t-1	<a href="http://info.transco.uk.com">http://info.transco.uk.com</a>
actual weekly System throughput	N/A	Formula Year to date	9 Days after week end	<a href="http://info.transco.uk.com">http://info.transco.uk.com</a>
annual target cost for each of the Relevant SO Incentive Schemes for Formula Year t	NTS SO exit capacity incentive targets (ExCITt) & (ExITt), system reserve incentive target (SRITt), gas cost incentive target (GCITt), internal cost incentive target (ICITt).	Formula Year	On 1 April or as soon as reasonably practicable thereafter in Formula Year t-1	<a href="http://info.transco.uk.com">http://info.transco.uk.com</a>
forecast monthly target cost for each of the Relevant SO Incentive Schemes for Formula Year t	N/A	Formula Year	On 1 April or as soon as reasonably practicable thereafter in Formula Year t-1	<a href="http://info.transco.uk.com">http://info.transco.uk.com</a>
sum of weekly outturn costs for the Relevant SO Incentive Schemes	The exit performance measure (ExCPt), The NTS SO system balancing costs (SBICt), The internal cost performance measure (ICCPt)	Formula Year to date	62 Days after week end	<a href="http://info.transco.uk.com">http://info.transco.uk.com</a>
quarterly outturn costs for each of the Relevant SO Incentive Schemes	The exit performance measure (ExCPt), The NTS SO system balancing costs (SBICt), The internal cost performance measure (ICCPt)	Formula Year to date	62 Days after quarter end	<a href="http://info.transco.uk.com">http://info.transco.uk.com</a>

Where:

t	means the relevant Formula Year;
t-1	means the Formula Year prior to the relevant Formula Year;
week	means the seven day period from 06:00 hours on a Monday until 06:00 hours on the following Monday;
throughput	means (actual inputs to the System + sum of UDQOs) / 2
Relevant SO Incentive Schemes	means exit capacity investment incentive, system balancing incentive and internal cost incentive schemes as defined by the Licence;
Licence	means the Transco Licence;
Formula Year	means a period of twelve months commencing on 1 April at 06:00 hours.”.

Yours sincerely,

Julian Majdanski  
Modification Panel Secretary