

TRANSCO WORKSTREAM REPORT

"Provision of Contestable System Reserve Services"

Version 1.0

1 Background to the Proposals

This is a Workstream Report for both Modification Proposals 0584 "Provision of Contestable Transmission Support Services" and 0585 "Provision of Contestable System Reserve Services".

Previous Workstream Reports were submitted to the September and October Network Code Modification Panels. The October Panel accepted the Workstream's recommendation that both these Modification Proposals remain with the Workstream for further review. Discussion therefore took place at the November meeting of the Planning and Security (including Storage) PSS Sub-group.

2 Sub-Group Discussion - 12 November 2002

Transco advised that as a result of discussions with the HSE, Shippers and Ofgem, it was considering the withdrawal of Modification Proposals 0584 and 0585 and their replacement with a revised Proposal(s). The new Network Code Proposal(s) would enable the concept of the provision of contestable services for Transmission Support and System Reserve (low flow and rate-change), by means of open tender, to progress, with the intention of parallel running to prove availability. It was envisaged that the tender would be launched shortly after the LNG auction for 2003/4 and would provide for services required between October to March.

3 Conclusion

Following discussion, the Sub-group agreed that Transco should proceed as suggested and produce a draft Modification Proposal(s) for discussion at the December PSS meeting, with a view to launching a Proposal(s) for consideration at the December Network Code Modification Panel meeting. Pending any withdrawal of these Modification Proposals it was agreed that they should remain with the Workstream. It is therefore recommended that:

Modification Proposals 0584 and 0585 should remain with the Workstream.