



Shippers, Transco and other interested parties

Our Ref: net/cod/mod/708
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25 October 2004

Dear Colleague,

Network Code Modification Proposal 708 – UK Link Business Support Agreement Reporting Period, Change from a 4/4/5 Week Cycle to Calendar Months

Ofgem has carefully considered the issues raised in this proposal and has decided to direct Transco to implement the modification as it better facilitates the achievement of the relevant objectives of Transco's network code, as set under standard condition 9 of Transco's Gas Transporter (GT) licence.

Background to the proposal

Transco currently reports system availability and faults on a 4/4/5 week period to the UK Link Committee meeting in accordance with the UK Link Manual. The UK Link Committee meets on the third Thursday of each month. Due to the reporting structure, a period may cover from mid-month to mid-month, with the report presented in the subsequent month.

The proposal

This proposal involves the realignment of the reporting period to calendar months such that data from month beginning to month end can be provided at the following months UK Link Committee meeting.

The reporting period for reports on system availability and faults are specified in the UK Link Manual IS Service Definition Appendix 2 Performance Levels. While no change is required to the Network Code, the specification table in the UK Link Manual is legally binding and therefore can only be amended by raising a modification proposal. The modification would involve changing the reference from "a 4/4/5 week cycle" to "calendar months".

Respondents' views

Five representations were received from parties to the Network Code. All respondents expressed support for the proposed amendment to the UK Link Manual. British Gas stated the realignment of the reporting period to calendar months, which is common to most other areas, would allow comparison between reports.

Transco's views

Transco supports the implementation of this proposal as it will bring about efficiencies in the production of reports, clarity and meaning to the period being reported and remove ambiguity between various reports within the business community.

Ofgem's views

Ofgem supports the implementation of this modification as it supports effective communication between Transco and system users regarding system availability and faults and thereby promotes efficient and economic operation by the licensee of its pipeline system as well as the efficient discharge of Transco's obligations under the Gas Transporters Licence.

Ofgem's decision

If you have any further questions regarding this letter please do not hesitate to contact me on the above number or Leigh Henderson on 020 7901 7474.

Yours sincerely

A handwritten signature in black ink, appearing to read 'N. Simpson', written over a vertical line.

Nick Simpson
Director, Modifications