

Modification Report
UK Link Business Support Agreement Reporting Period, change from a 4/4/5 week cycle to
calendar months

Modification Reference Number 0708

Version 1.0

This Modification Report is made pursuant to Rule 7.3 of the Modification Rules and follows the format required under Rule 8.9.3.

1. The Modification Proposal

Currently Transco provide the systems availability and fault reports on a 4/4/5 week period and these are shared with the business community at each UK Link Committee meeting, normally the 3rd Thursday of each month. An example of a period is No.105 which covers the period 16/08/04 to 19/09/04, which would be presented to the October UK Link Committee.

The proposal is to realign the reporting pattern to calendar months, providing the month beginning to month end data at the following months UK Link Committee meeting. For example, September data 01/09/04 to 30/09/04 would be presented to the October UK Link Committee meeting..

2. Transco's Opinion

It is Transco's opinion that this Modification Proposal should be implemented as it will provide efficiencies in the production of reports, bring clarity and meaning to the period being reported on and remove ambiguity between various reports within the business community.

3. Extent to which the proposed modification would better facilitate the relevant objectives

The proposal aims to gain efficiencies in the production of reports. Whilst there is no change to the Network Code, because the reference to reporting periods is held in the UK Link Manual IS Service Definition Appendix 2 Performance Levels, which is a legally binding table, it can only be changed by way of a modification proposal and following the modification procedures.

4. The implications for Transco of implementing the Modification Proposal , including

a) implications for the operation of the System:

None

b) development and capital cost and operating cost implications:

None

c) extent to which it is appropriate for Transco to recover the costs, and proposal for the most appropriate way for Transco to recover the costs:

Not applicable.

d) analysis of the consequences (if any) this proposal would have on price regulation:

None

5. The consequence of implementing the Modification Proposal on the level of contractual risk to Transco under the Network Code as modified by the Modification Proposal

Implementation of this Modification Proposal would not increase the level of Transco's contractual risk.

6. The development implications and other implications for computer systems of Transco and related computer systems of Users

There are no implications for the computer systems of Transco and Transco has not been informed of any implications for the related computer systems of Users in the representations received.

7. The implications of implementing the Modification Proposal for Users

Should this proposal be implemented, Transco will ensure that the reporting to the next following UK Link Committee meeting will be done on both the old period basis and the new calendar month end basis so that there are no gaps in the information provided.

8. The implications of implementing the Modification Proposal for Terminal Operators, Consumers, Connected System Operators, Suppliers, producers and, any Non-Network Code Party

There are no implications for the above parties.

9. Consequences on the legislative and regulatory obligations and contractual relationships of Transco and each User and Non-Network Code Party of implementing the Modification Proposal

No changes to contractual relationships are anticipated.

10. Analysis of any advantages or disadvantages of implementation of the Modification Proposal

Advantages:

It will allow more efficient production of reports

It will bring clarity and meaning to the period being reported on
It remove ambiguity between various reports within the business community.

Disadvantages:

Transco believes there are no disadvantages

11. Summary of the Representations (to the extent that the import of those representations are not reflected elsewhere in the Modification Report)

Representations have been received from five respondents, E.on UK, Npower, British Gas Trading, Edf Energy and Scottish & Southern Energy.
All respondents support implementation of this proposal.

12. The extent to which the implementation is required to enable Transco to facilitate compliance with safety or other legislation

Not applicable.

13. The extent to which the implementation is required having regard to any proposed change in the methodology established under Standard Condition 4(5) or the statement furnished by Transco under Standard Condition 4(1) of the Licence

Not applicable.

14. Programme of works required as a consequence of implementing the Modification Proposal

None

15. Proposed implementation timetable (including timetable for any necessary information systems changes)

1st November 2004

16. Recommendation concerning the implementation of the Modification Proposal

Transco recommends implementation of this proposal

17. Restrictive Trade Practices Act

If implemented this proposal will constitute an amendment to the Network Code. Accordingly the proposal is subject to the Suspense Clause set out in the attached Annex.

18. Transco's Proposal

This Modification Report contains Transco's proposal to modify the Network Code and Transco now seeks direction from the Gas & Electricity Markets Authority in accordance with this report.

19. Text

There is no change to the Network Code, however the references are held in the UK Link Manual IS Service Definition Appendix 2 Performance Levels, which is a legally binding table and therefore can only be changed by way of a modification proposal and following the modification procedures. The actual change is minimal and merely amends the reference to "a 4/5 week cycle" in the Notes section of the table to "calendar months".

The relevant part of the table is attached for reference.

<i>Performance Parameter</i>	<i>Performance Period / Performance Levels</i>	<i>Notes</i>
<i>Reporting Period</i>	<i>Monthly</i>	<i>Monthly reports will be issued on the basis of a 4,4,5 week cycle <u>calendar months</u></i>

Signed for and on behalf of Transco.

Signature:

Mike Hardman
Business Solutions Manager
Support Services

Date:

Gas and Electricity Markets Authority Response:

In accordance with Condition 9 of the Standard Conditions of the Gas Transporters' Licences dated 21st February 1996 I hereby direct Transco that the above proposal (as contained in Modification Report Reference **0708**, version **1.0** dated **22/10/2004**) be made as a modification to the Network Code.

Signed for and on Behalf of the Gas and Electricity Markets Authority.

Signature:

The Network Code is hereby modified with effect from, in accordance with the proposal as set out in this Modification Report, version **1.0**.

Signature:

Process Manager - Network Code

Transco

Date:

Annex

1. Any provision contained in this Agreement or in any arrangement of which this Agreement forms part by virtue of which The Restrictive Trade Practices Act 1976 ("the RTPA"), had it not been repealed, would apply to this Agreement or such arrangement shall not come into effect:
 - (i) if a copy of the Agreement is not provided to the Gas and Electricity Markets Authority ("the Authority") within 28 days of the date on which the Agreement is made; or
 - (ii) if, within 28 days of the provision of the copy, the Authority gives notice in writing, to the party providing it, that he does not approve the Agreement because it does not satisfy the criterion specified in paragraphs 1(6) or 2(3) of the Schedule to The Restrictive Trade Practices (Gas Conveyance and Storage) Order 1996 ("the Order") as appropriate

provided that if the Authority does not so approve the Agreement then Clause 3 shall apply.
2. If the Authority does so approve this Agreement in accordance with the terms of the Order (whether such approval is actual or deemed by effluxion of time) any provision contained in this Agreement or in any arrangement of which this Agreement forms part by virtue of which the RTPA, had it not been repealed, would apply this Agreement or such arrangement shall come into full force and effect on the date of such approval.
3. If the Authority does not approve this Agreement in accordance with the terms of the Order the parties agree to use their best endeavours to discuss with Ofgem any provision (or provisions) contained in this Agreement by virtue of which the RTPA, had it not been repealed, would apply to this Agreement or any arrangement of which this Agreement forms part with a view to modifying such provision (or provisions) as may be necessary to ensure that the Authority would not exercise his right to give notice pursuant to paragraph 1(5)(d)(ii) or 2(2)(b)(ii) of the Order in respect of the Agreement as amended. Such modification having been made, the parties shall provide a copy of the Agreement as modified to the Authority pursuant to Clause 1(i) above for approval in accordance with the terms of the Order.
4. For the purposes of this Clause, "Agreement" includes a variation of or an amendment to an agreement to which any provision of paragraphs 1(1) to (4) in the Schedule to the Order applies.