

TRANSCO NETWORK CODE MODIFICATION PROPOSAL No. 0711
"Amendment of Network Entry Provisions at BP sub terminal at Dimlington"
Version 1.0

Date: 07/09/2004

Proposed Implementation Date: 01/10/2004

Urgency: Urgent

Justification

There are three main reasons for the request for urgency:

- 1) To enable additional gas supply robustness to be delivered at the BP Dimlington sub terminal for winter 04/05 by obviating the need for the Dimlington System to blend away low wobbe gas with high wobbe gas. Currently if such high wobbe blend gas is not available for operational reasons, approximately 25% of the total gas flow through the Terminal has to be shut-in to prevent breach of the current lower wobbe limit. If the current low wobbe limit were amended in line with GS(M)R, all fields currently producing into the Dimlington System will be deemed to be on spec and blending will not be required thus maximising gas production.
- 2) The Operator of the low wobbe gas field in the Dimlington System is planning to drill a new well to capture additional gas reserves in 2005. For the reasons stated in 1), the reduction in wobbe will obviate the need for blending, and any subsequent production restrictions due to lack of blend gas. This will improve the economics of the well and hence the likelihood that the well will be drilled.
- 3) BP is currently in negotiations with the operators of low wobbe carboniferous gas who have requested indicative transportation offers for their gas through the Dimlington System. If the lower wobbe spec were to be lowered to the GS(M)R spec this will enable BP to make firm offers of transportation to such fields and any resulting blending requirements will be less disadvantageous to such fields.

The proposed changes to the Network Entry Provisions at BP sub terminal at Dimlington are required to maximise current gas supplies this winter and to enable additional low wobbe gas supplies to be delivered at the Dimlington System Entry Point in the future.

Transco is also proposing to take into account specific requirements laid down in the Gas Safety (Management) Regulations 1996 (GS(M)R).

This Proposal is raised in accordance with the provisions of Section I2.2.3 that require amendment of Network Entry Provisions by way of a Network Code Modification once Transco and the Delivery Facility Operator have agreed to change the Network

Entry Provisions and to incorporate these in a Network Entry Agreement. In raising this Modification Proposal, BP confirms that agreement in principle to change the Network Entry Provisions has been achieved with Transco.

Nature of Proposal

It is proposed that some of the Gas Entry Conditions, which form part of the Network Entry Provisions, for Dimlington System Entry Point be amended in accordance with the following:-.

Proposed changes as requested by BP to enable increased gas supplies at the Dimlington System Entry Point.

Gas Quality Characteristic	Current Specification As Stated	Proposed Specification
Wobbe No : - Upper Limit Lower Limit	51.2 MJ/m ³ 48.2 MJ/m ³	51.41 MJ/m ³ 47.20 MJ/m ³

2. Proposed changes to update the gas quality specification to take into account specific requirements within GS(M)R not currently specified at Dimlington.

Gas Quality Characteristic	Current Specification As Stated	Proposed Specification
Hydrogen	-	< =0.1 % (molar)
Soot Index	-	< =0.6
Incomplete Combustion Factor	-	< =0.48

3. Proposed changes to update the gas quality specification to convert the specification to standard conditions

Proposed Specification

Gas Quality Characteristic	Current Specification as Stated	Proposed Specification
Water Dewpoint	< - 10 °C @ 69 barg	< -10 °C @ 70.33 barg

If this Modification Proposal were approved then the revised Gas Quality Specification would be intended to be incorporated within a Network Entry Agreement at the BP sub terminal.

Purpose of Proposal

In enabling the economic and efficient delivery of current and new gas supplies at Dimlington, implementation of this Proposal would be expected to facilitate the achievement of securing effective competition between relevant shippers and relevant suppliers.

Consequence of not making this change

It has been identified that if the present Gas Quality Specification is retained at Dimlington this would impact on the flexibility, capacity and/or costs of offshore/beach terminal processing. Such additional costs or lack of flexibility would not be justified by any corresponding benefit to Users.

Area of Network Code Concerned

Section I - Entry Conditions

Proposer's Representative

David Slack (BP Gas Marketing Ltd)

Proposer

David Slack (BP Gas Marketing Ltd)

Signature

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