

Mr. Julian Majdanski
Joint Office of Gas Transporters
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23 May 2005

Dear Julian,

Modification Proposal 0007 - "Provision and Maintenance of Large Firm Supply Point Emergency Contact Information by the Gas Transporter"

Total Gas & Power Limited (TGP) supports the above modification on the assumption that Transco requires a significant improvement in the quality of emergency contact information.

The current process for collating emergency contact information has been in place since the implementation of the Network Code. Despite significant effort by Users to raise the quality of such information, the numerous exercises have indicated that the current level of data quality may be insufficient. We acknowledge that the Gas Advisory Task Group (GATG) has met on several occasions to discuss methods of improving the current regime. We believe that any process enhancements identified by the GATG will improve the current regime. We are concerned however that insufficient progress may be made in time to ensure that the transporters will have adequate information to allow them to manage safety of the network in an emergency situation for the winter of 2005/2006.

A more fundamental change is required, as even the leading industry performers are only collating 80% of the required information using best practice. TGP therefore disagrees that the modification is premature and furthermore believes that the modification proposed is the most effective route to ensure that the network may reduce firm load safely and effectively.

All industry participants recognise that the current system is inadequate and does not deliver the information required. Ultimately however, there is a licence obligation upon the Transporters to operate a safe network. Transco have repeatedly stated that the current provisions are unsatisfactory and so we do not understand the opposition to this modification. We note that a centrally managed contact database has been proposed as an enduring solution by the Emergency Load Shedding sub-committee of the Gas Advisory Task Group.

While the transporters are able to disconnect consumers without their knowledge or consent, this should be a last resort. It is doubtful that the transporters will be



able to disconnect sites unilaterally as safely or effectively without contacting consumers. To enable safe and effective firm load shedding is precisely why the emergency contact details are supplied and all efforts should be made to facilitate this.

The transporters state that shipper/suppliers are able to provide commercial incentives to induce customers to provide the information required. This is true, but any database that the transporters maintain will ultimately be funded by Users via the price controls and so there will be a commercial incentive on the transporters to maintain an efficient and cost-effective service. The transporters also have this information collated at present as part of their current obligation to maintain an emergency contact list. We therefore assert that the costs put upon the transporters will not be as great as if such a system was being developed from scratch.

We also disagree with the transporters' assertion that the transporters would be acting purely as the User's agent and so the User would not be required to dedicate resources to maintain the information provided. The proposer indicates that the supplier would still be required by its licence obligation to provide the information to the transporter. The transporters' role would be of management (as stated in the modification) ensuring that a historic trail for each site would be maintained, as well as allowing early identification of any sites with inadequate information. The transporters would therefore not be required to duplicate User's efforts, but to complement them where required.

Should you wish to discuss our response further, please feel free to contact me.

Yours sincerely,

(This message is sent electronically and is therefore not signed)

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