Report for Modification Panel

June 2005

Transmission Workstream

Meetings Held

The Transmission Workstream met on 2 June 2005

Planned

A Transmission Workstream meeting was scheduled for 15 June 2005 to discuss Incremental Entry Capacity Release and Ofgem's consultation document "Gas transmission – new NTS entry points, reserve prices in auctions and unit cost allowances (UCAs)." The July Workstream is scheduled for **Wednesday** 6 July 2005.

Matters for Panel's Attention

The meeting arranged for 15 June 2005 was scheduled in response to the request made by the June Workstream meeting. Therefore, this notice could not be given at least 10 business days in advance as indicated within the Chairman's Guidelines. This was understood by the meeting attendees.

Modifications Activity

Other than a high level review of the Modification Status Report, no Proposals were discussed within the Workstream. The following activity, related to Transmission, took place outside the Workstream

Urgent Proposal Submitted:

021 Revision of the Emergency Cashout Arrangements DMR due 10/06/05, Reps close-out 01/07/05

Draft Modification Report Submitted:

'Amendment of Network Entry Provisions at ConocoPhillips sub-terminal at Theddlethorpe to align with Transco's 10 Year Statement

DMR circulated 01/06/05. Reps close-out 22/06/05

For Information:

006 "3rd Party Proposal: Publication of Near Real Time Data at UK sub-terminals" (0727) Ofgem issued Impact Assessment 27/05/05, Reps close-out 24/06/05

Topics Activity

The following, based on previous Topics, were reviewed:

003TR Review of NTS Exit Capacity Arrangements

Transco indicated that it had been in discussion with Ofgem on this topic and expected to be producing a timetabled package of proposals to encompass UNC Modification Proposals, charging and licence Incentives. These documents would address all the actions raised at the afternoon session of the May Workstream.

004TR Emergency Arrangements

(PSS/7) Transco gave a presentation on Emergency Arrangements following Network Sales and also touched upon the Safety Case consequences of the removal of Top-up. Transco agreed to consider the need for a Modification Proposal as a result of Cash out Review Working Group discussions. Workstream attendees confirmed that their concerns on potential loss and

restoration of systems were mainly centred on the implementation of Gemini. In particular systems should be restored to all parties simultaneously. It was agreed that these concerns would be referred to the UK Link Committee.

007TR Section O: System Planning

Transco gave a presentation on this Topic. It was agreed that a Modification Proposal would be required in order to more clearly align the Transporting Britain's Energy (TBE) process with the UNC. On the basis of the presentation given by Transco, the Workstream indicated that it supported a Proposal of this nature being sent direct to consultation.

The following New Topic was raised:

008TR Entry Capacity

Transco was requested to give a presentation on the changes to the Incremental Entry Capacity Regime Methodology. Ofgem was also requested to use the same session for discussions on its consultation document 139/05 "Gas transmission – new NTS entry points, reserve prices in auctions and unit cost allowances (UCAs)". This has been agreed by Transco and Ofgem and the meeting will be held on 15 June 2005.

Transmission Workstream – Modification Status Report June 2005

UNC Mod Ref	Old Mod Ref	Mod Title	Received	Organisation	Status	Status Update	Next Process
021	-	Revision of the Emergency Cashout Arrangements	01-Jun-05	Transco NTS	Users notified and SME appointed	02-Jun-05	Draft Mod Report to be issued by 10-Jun-05 for close-out 01-Jul-05
019	-	Amendment of Network Entry Provisions at ConocoPhillips sub-terminal at Theddlethorpe to align with Transco's 10 Year Statement	12-May-05	ConocoPhillips (UK) Ltd (Gas & Power Europe	Draft Mod Report out for Reps	01-Jun-05	Reps to Draft Mod Report close-out, 22- Jun-05
016	0743	Amendment of Nomination Timetable	10-Feb-05	British Gas Trading Ltd	Final Mod Report	27-Apr-05	OFGEM Decision
013a	0740a	Amendment to Transco's rights to interrupt for supply / demand purposes	26-Jan-05	Transco	Final Mod Report	01-Apr-05	OFGEM Decision
013	0740	Amendment to Transco's rights to interrupt for supply / demand purposes	13-Jan-05	Shell Gas Direct Ltd	Final Mod Report	01-Apr-05	OFGEM Decision
011	0736	Reintroduction of Constrained Top-up	10-Dec-04	Transco	Final Mod Report	24-Feb-05	OFGEM Decision
009	0733	Facilitation of Substitutability Between Capacity and Locational Energy Actions	09-Dec-04	Transco	Final Mod Report	25-Feb-05	OFGEM Decision
006	0727	3rd Party Proposal : Publication of Near Real Time Data at UK sub-terminals	03-Nov-04	Energywatch	Final Mod Report (OFGEM Impact Assessment consultation issued, 27-May-05)	05-Apr-05	OFGEM Decision (Close-out for IA responses to inform this decision 24-Jun-05)

Transmission Workstream – Topic Status Report June 2005

Topic No	Date Created	Topic Originator	Topic Title	Associated Modification Proposal(s)	Priority for Discussion (H/M/L)	Status	Next Step		
Active	Active								
003TR	05/05/05	Transco	Review of NTS Exit Capacity Arrangements	None	Н	Transco in discussion with Ofgem on a package of work to encompass any Modification Proposals, charging and licence proposals.	Transco to publish work package in conjunction with Ofgem by 06/07/05		
004TR	05/05/05	Transco	Emergency Arrangements	None	M	Cash-out price discussions taking place in Ofgem's Cash-out Review Working Group (CORWG). Presentation given of emergency arrangements under multi network ownership and implications of the NEC Safety Case. Concerns on emergency arrangements in the event of system failure clarified as being associated with Gemini commissioning	Transco to consider making a Proposal to ensure compatibility with the revised NEC Safety Case by 06/07/05. Concerns on system downtime to be raised by Joint Office at UK Link Committee 16/06/05		
006TR	05/05/05	EON	Nomination Timetable	16 (0743)	L	Consider the benefits and potential costs of a more flexible before and within day nomination timetable.	Presentation to be made by EON on 06/07/05.		
007TR	05/05/05	Transco	Section O: System Planning	None	L	Review indicated for ensuring clearer alignment of agreed current practice with UNC provisions. Transco made presentation on 02/06/05. Workstream supported, in principle, the raising of a Modification Proposal.	Transco to raise a Modification Proposal in time for the June Panel		

Topic No	Date Created	Topic Originator	Topic Title	Associated Modification Proposal(s)	Priority for Discussion (H/M/L)	Status	Next Step		
008TR	02/06/05	Total	Entry Capacity	None	Н	Transco has published a review of the Incremental Entry Capacity Release Methodology Statement. Ofgem, in parallel, have issued consultation document 139/05 "Gas transmission – new NTS entry points, reserve prices in auctions and unit cost allowances (UCAs)".	Transco and Ofgem to make presentations at Workstream 15/06/05. Close-out for responses to the Transco review 24/06/05 Close-out for Ofgem consultation 30/06/05		
On Hold									
001TR	05/05/05	Transco	Supply and Demand Interruption	13 and 13a (0740 and 0740a)	M	FMRs for 0740 and 0740a sent to Ofgem on 01/04/05	None pending Ofgem decision		
002TR	05/05/05	Transco	Substitutability of Capacity and Locational Energy Actions following GT Licence Changes	9 (0733)	M	FMR for 0733 sent to Ofgem for decision 22/02/05	None pending Ofgem decision		
005TR	05/05/05	Transco	Constrained Top-up	11 (0736)	L	FMR for 0736 sent to Ofgem for decision 24/02/05	None pending Ofgem decision		