

TRANSCO CONSULTATION REPORT ON PC44

Charges for Specific Services at Interconnectors

1. TRANSCO'S INITIAL PROPOSAL

Transco's Pricing Consultation paper PC44 proposed revised charges for the administration of a range of services at interconnectors.

In comparison with present charges there are proposed reductions for all services. In terms of daily charges the operation of the flow control valve reduces from £12.87 to £11.72, and the provision of the exit profile notice (EPN) reduces from £20.59 to £11.72. The EPN default charge has been reduced from £0.86 to £0.49 per event.

2. SUMMARY OF RESPONSES

Transco received three responses, all from shippers. All three respondents supported the proposal.

2.1 Principle, Cost Reflectivity and Effect on Competition Of The Charge

Due to the brevity of the responses on these proposals, respondents comments and the Transco response has been summarised within this sub-heading.

Comments Received

All comments were brief, supporting the proposed changes and their implementation.

One respondent was broadly supportive of greater cost reflectivity in all transportation charges and welcomed this principle in the charges for specific services at interconnectors.

No specific comments were received on the effect of these charges on competition.

Transco's Response

Transco proposes to implement the proposed charges on 1 October 1999.

3. SUMMARY OF TRANSCO'S FINAL PROPOSALS

The final proposals are as the initial proposals detailed in the consultation paper PC44.