

Uniform Network Code : Relevant Objectives

At present the relevant objectives of the Transco network code are set out in Amended Standard Condition 9 of the Transco GT licence and includes inter alia the economic and efficient operation of the licensee's pipeline system.

Moving to a UNC structure with a number of participating GTs triggers the issue of how relevant objectives would exist in relation to the UNC and what, if any, additional objectives might be set.

This note assumes a structure where each participating GT retains a licence requirement to establish a Code in respect of its pipeline system (short form). Each of these short form codes would contain little actual detail and would simply adopt the relevant provisions of the UNC as being their Code.

Adopting such a structure it would seem appropriate that the relevant objectives as set out in ASC 9 are retained, each short form code would require objectives to be achieved. In addition we would anticipate an additional requirement being introduced into each of the participating GT licences establishing a further common objective that must be satisfied. It would seem appropriate that this objective would relate to the continued coordinated efficient and economic operation of the System (ie the former Transco System). Participating GTs would be required to meet that further common objective by acceding to and participating in the UNC.

Having established identical and common relevant objectives that apply to the participating GTs it is not clear whether any further specific relevant objectives would have to be created as the UNC rules, which would be adopted within their individual Codes, would be calculated to secure that their individual and common objectives are met.