

UNIFORM NETWORK CODE MODIFICATION PANEL
MINUTES OF THE 37th MEETING HELD ON THURSDAY
7 DECEMBER 2006

Members Present:

Transporter Representatives: R Hewitt (National Grid NTS), P Lawton (National Grid UKD), L Spierling (Wales & West Utilities) and B Dohel (Scotia Gas Networks)

User Representatives: P Broom (Gaz de France), C Wright (British Gas Trading), S Rouse (Statoil) and P Bolitho (Eon).

Ofgem Representative(s):

Dipen Gadhia

Consumers Representative(s):

.

Joint Office:

T Davis (Chairman), J Majdanski (Secretary)

37.1 Note of any alternates attending meeting:

S Rouse (Statoil) for A Barnes (BG Group), P Lawton for A Raper (National Grid UKD), C Wright for M Young (British Gas Trading) and L Spierling (Wales & West Utilities) for R Cameron-Higgs (Northern Gas Networks)

37.2 Record of apologies for absence:

A Barnes (BG Group), A Raper (National Grid UKD), M Young (British Gas Trading) R Cameron-Higgs (Northern Gas Networks)

37.3 Record invitees to meeting:

None

37.4 Consider Workstream Monthly Reports.

- a) Proposal 0124 Amendment to the window for acceptance of Meter Reads by the Transporter"

Following a discussion the Panel voted by Panel Majority for the Proposal to proceed to Consultation, the following members casting votes:- R Hewitt, P Lawton, B Dohel, P Broom, C Wright, S Rouse (also proxy vote for A Barnes) and P Bolitho. The Panel failed to determine that Legal text was required, with no votes cast in favour.

- b) Proposal 0125 "Introduction of new balancing neutrality charge for cost of residual balancer collateral on the OCM"

Following a discussion the Panel voted UNANIMOUSLY for the Proposal to proceed to Consultation. The Panel failed to determine that Legal text was required, with no votes cast in favour.

37. 5 Consider Final Modification Reports.

- a) Proposal 0122 “Restriction of invoice billing period to Price Control”
Panel Members considered the report was in the correct form and discussed whether or not to recommend implementation of the Proposal. Some Members believed that, by creating an incentive to improve data quality, implementation of the Proposal could be expected to further the GT Licence 'code relevant objectives' *'facilitating effective competition between relevant Shippers'* and *'the efficient and economic operation of the pipe-line system'*. Others considered that implementation would create inappropriate cost allocations and incentives and so would not further the Relevant Objectives. The Panel then voted and five votes were cast in favour of implementation, the following members casting votes:- P Broom, C Wright, S Rouse, also proxy vote for A Barnes and P Bolitho. Therefore the Panel did not recommend implementation.

37.6 Any Other Business

None

37.7 Conclude Meeting and Agree Date of Next Meeting:

The Panel noted that the next full monthly Panel meeting is due to be held at Elexon, 350 Euston Road, on 21 December 2006.