

UNIFORM NETWORK CODE MODIFICATION PANEL
MINUTES OF THE 65th MEETING HELD ON THURSDAY
17 JULY 2008

Members Present:

Transporter Representatives: M Watson (National Grid NTS), C Warner (National Grid UKD), J Martin (Scotia Gas Networks) and R Cameron-Higgs (Northern Gas Networks).

User Representatives: A Barnes (BG Group), P Broom (Gaz de France), C Wright (British Gas), R Fairholme (EON UK) and S Leedham (EDF Energy).

Ofgem Representative(s):

J Dixon.

Consumers' Representative(s):

None.

Joint Office:

T Davis (Chairman), J Majdanski (Deputy Secretary)

65.1 Note of any alternates attending meeting:

M Watson for R Hewitt (National Grid NTS), R Cameron-Higgs (Northern Gas Networks) for S Trivella (Wales & West Utilities) and J Martin for B Grubb (Scotia Gas Networks)

65.2 Record of apologies for absence:

R Hewitt (National Grid NTS), S Trivella (Wales & West Utilities) and B Grubb (Scotia Gas Networks)

65.3 Record invitees to meeting:

None

65.4 Receive report on status of Urgent Modification Proposals:

None

65.5 Consider New, Non-Urgent Modification Proposals

- a) Proposal 0218 " Amendment to the base period used to define Seasonal Normal weather "

Following a presentation from R Fairholme (EON UK), the Panel voted UNANIMOUSLY for the Proposal to proceed to the Distribution Workstream.

65.6 Consider New Proposals for Review.

None

65.7 Consider Terms of Reference.

- a) Proposal 0217: "Gemini Code Contingency Arrangements"

The Terms of Reference were approved by the Panel.

65.8 Existing Modification Proposals for Reconsideration.

None

65.9 Consider Variation Requests

- a) Proposal 0201: "Small value invoice payment deferral"

Following a presentation from C Wright, the Panel did not determine that the Variation Request was immaterial, with no votes cast in favour. Therefore Modification Proposal 0201 was deemed withdrawn and replaced by Modification Proposal 0201V "Small value invoice payment deferral".

The Panel then proceeded to vote UNANIMOUSLY for Proposal 0201V to proceed to Consultation. They did not determine that legal text was required, with no votes cast in favour.

65.10 Consider Workstream Monthly Reports.

Matters for Panel's Attention.

- i) Proposal 0213: "Introduction of User Pays Governance Arrangements into the UNC"

Following a request, the Panel voted UNANIMOUSLY to extend the time for the Workstream to report until October 2008.

- ii) Proposal 0214: "Reservation of Firm NTS Exit Capacity at new NTS Exit Points in the transitional period"

Following a request, the Panel voted UNANIMOUSLY to extend the time for the Workstream to report until December 2008.

- iii) Proposal 0192 "Introduction of DNO obligations to facilitate resolution of unresolved USRVs"

The Panel voted UNANIMOUSLY for the Proposal to proceed to Consultation for an extended period so that Representations close out on 12 August. They did not determine that legal text was required, with no votes cast in favour.

65.11 Consider Review Group Reports.

- a) Proposal 0157 " Review of IGT Settlement and Reconciliation Arrangements"

The Review Group report was accepted, no further work required.

- b) Proposal 0175 "Encouraging Participation in the elective Daily Metered Regime"

The Review Group report was accepted, no further work required.

65.12 Consider Final Modification Reports.

- b) Proposal 0215: " Enduring Arrangements for Supply Point Capacity decrease at an Interruptible Supply Point"
Members considered the report was in the correct form and discussed whether or not to recommend implementation of the Proposal. They did not determine that new issues had been raised that justified seeking further views from a Workstream or Development Workgroup.

Members considered that by providing flexibility between Firm and Interruptible holdings in the event of a Supply Point Capacity decrease at an Interruptible Supply Point, implementation of the Proposal could be expected to further the GT Licence 'code relevant objectives' of "*the economic and efficient operation of the pipeline system*", "*the efficient discharge of the licensee's obligations under the licence*" and "*the securing of effective competition between relevant shippers*" and voted UNANIMOUSLY to recommend implementation of the Proposal.

65.13 Receive report on status of Consents.

No new consents.

65.14 Any Other Business

None

65.15 Conclude Meeting and Agree Date of Next Meeting:

The Panel noted that the next Panel meeting is due to be held at Elexon, 350 Euston Road, on 21 August 2008.