

This note was circulated at the request of National Grid Distribution on 26 January 2007.

### **Implementation of UNC Modifications 0094 and 0095**

As you will be aware, Ofgem issued direction to implement UNC Modifications; 0094 '*Reconciliation following AQ Amendment, SSP becoming LSP with change of <20% or 15,000kWh*' and 0095 '*Reconciliation following AQ Amendment, SSP becoming LSP following change of Registered User*' on 30<sup>th</sup> October 2006. National Grid Distribution has prepared a draft Change Order requesting that xoserve undertakes changes to relevant processes to enable implementation. Whilst the Modifications were implemented on 3<sup>rd</sup> November 2006, the 'applicability' timescales require determination as further detailed below.

Below is an extract from the Final Modification Reports:

### **15. Proposed implementation timetable (including timetable for any necessary information systems changes)**

NG UKD suggested that Implementation could be immediate following appropriate direction from the Authority. However the 2006 AQ calculation has already taken place and Users can now do nothing to influence the resulting Reconciliations. It may therefore be more appropriate for this Modification to be implemented with effect from the 2007 AQ review at the earliest, so that Users can act accordingly during Winter 2006/07. TGP argued that if this modification were to be implemented then the implementation date should coincide with the AQ review date, because an adjustment of the revision criteria midway through a gas year will result in Shippers being penalised for not changing those sites which were previously excluded by paragraph E 7.4.3 (b) UNC (TPD).

National Grid raised the timing of applicability of these Modifications at the UNC Distribution Workstream on 25 January 2007 and following discussion, two alternatives became apparent:

- new terms applicable from the End of Year Reconciliation undertaken following the 2007 AQ Review,
- new terms applicable to allow the new regime to be in place for the End of Year Reconciliation undertaken following the 2006 AQ Review.

At the conclusion of discussion, National Grid agreed to write to the members of the Workstream formally seeking views as to the preferable applicability. To enable xoserve to apply the appropriate provisions to the End of Year Reconciliation undertaken following the 2006 AQ Review, it is important that Transporters identify such an applicability by **16 February 2007**.

Therefore I would be grateful if you would confirm your preference by the above date to **[enquiries@gasgovernance.com](mailto:enquiries@gasgovernance.com)** .

Regards

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