

Agenda: Pre-Modification Panel Briefing
Meeting Details: 13:00, 16 May 2016
Teleconference: 0207 950 1251, access code 21870295#
Documentation at: <http://www.gasgovernance.co.uk/panel/190516>

Dear Colleague,

Please note that we will be hosting a pre-Modification Panel briefing by teleconference starting at **13:00 on Monday 16 May 2016**. Discussions will be based on the Modification Panel agenda (<http://www.gasgovernance.co.uk/panel/190516>).

This pre-Panel briefing is intended to provide, in particular, an opportunity for smaller parties, including customer representatives as well as smaller Shippers and Suppliers, an opportunity to feed views into the modification process at critical stages. We therefore expect to focus on new Modifications and those on which the Panel will debate whether or not implementation is supported. Similar teleconferences are held prior to each monthly Modification Panel meeting (third Thursday of the month). Any views on which information would be most helpful to you, or on the time and format of the teleconference, would be welcome.

Modifications that are on this month's Panel agenda are:

New Modifications

Modification 0571A – Application of Ratchet Charges to Class 1 Supply Points and Class 2 with an AQ above 73,200kWhs

Proposed by Eon

Modification 0571, raised by Gazprom in January 2016, proposes (post go-live of the new market arrangements under Project Nexus) to limit the application of Ratchet Charges to Class 1 Supply Points, which includes mandatory Daily Metered sites and Network Sensitive Loads and whose operation may be material to the safe operation of the network.

0571A seeks to extend the applicability to include larger class 2 supply points, which have the many of the same obligations, and consequences, as class 1. The proposer believes it is therefore appropriate to treat the larger class 2 sites in the same way as class 1 with respect to ratchet charges.

The Proposer is not seeking self-governance status for this modification.

<http://www.gasgovernance.co.uk/0571>

Modification 0582 – Amendments to reflect separation in legal ownership of NTS and National Grid owned LDZs to facilitate the sale of National Grid's Gas Distribution Business

Proposed by National Grid Distribution

National Grid Gas plc intends to sell a majority stake in its Gas Distribution Business. The

new business would no longer be known as National Grid Gas Distribution. This modification proposes to modify the UNC to reflect the separation in ownership of the NTS and the 4 LDZs currently comprising National Grid Gas Distribution prior to completion of the sale process.

The Proposer is seeking self-governance status for this modification on the basis that the changes do not impact upon consumers or competition.

<http://www.gasgovernance.co.uk/0582>

Modification 0583 – Requiring an Opening Meter Reading at same User Confirmation

Proposed by National Grid Distribution (at short notice at Panel's discretion)

This Modification would require Users to provide an Opening Meter Reading in the event of a re-confirmation – i.e. the Proposing User is the Existing Registered User. Where such a reading has not been provided Transporters would create an estimated Opening Meter Reading.

The Proposer is seeking self-governance status for this modification on the basis that the changes do not impact upon consumers or competition.

<http://www.gasgovernance.co.uk/0583>

Implementation Recommendations

None this month.

Self-Governance Implementation

Modification 0581S – Amending the Oxygen content limit specified in the Network Entry Agreements at Grain LNG

This enabling modification proposes to enable an increase to the oxygen content limit of gas permitted by the three relevant Network Entry Agreements at Grain LNG. The proposed level of 200ppm is to provide access to wider LNG cargoes. It is well within the Gas Safety (Management) Regulations limit (2000ppm) and is consistent with many other entry points.

The consultation is open until Friday 13 May. An update on respondents' views will be provided on the call.

<http://www.gasgovernance.co.uk/0581>

I hope this summary is helpful.

Regards,

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UNC related documents can be accessed via our website: www.gasgovernance.co.uk