

TRANSCO NETWORK CODE MODIFICATION PROPOSAL No. 0709

"Improving the Accountability and Management of Network Code Meetings"

Version 2.0

Date: 13/08/2004

Proposed Implementation Date:

Urgency: Non-Urgent

Justification

To formalise and adopt good meeting practice across the Network Code governance regime.

Nature of Proposal

To change Section Y such that the conduct of the Panel and Network Code Committee meetings are brought formally under the Chairman's Guidelines.

Purpose of Proposal

To have a transparent set of arrangements for which meetings are conducted and the business is recorded. The proposal better facilitates the relevant Code objective (a) the efficient and economic operation by the licences of its pipe-line system. By making the minutes of meetings subject to formal approval by the meeting rather than Transco alone, it will ensure greater openness and accountability within the process, which will ultimately lead to development of proposals that better facilitate the relevant code objective (c) the securing of effective competition between relevant shippers and relevant suppliers.

Consequence of not making this change

The opportunity to improve meeting governance by formally introducing good practice will be denied and Transco will remain open to criticism that it is in full control of the arrangements and production of minutes.

Area of Network Code Concerned

Section Y Paragraph 2.1. Defined Terms. Change "Workstream Chairman Guidelines" to: "Chairman Guidelines": a set of standing guidelines governing the conduct of meetings of the Modification Panel, Network Code Committee and other meetings constituted within the Network Code governance regime and listed within the Guidelines, issued and maintained by Transco on behalf of the Modification Panel and which may be amended from time to time by Panel Majority. Also add new Defined Term: "Report of Determinations": a report prepared by the Secretary setting out the determinations of the Modification Panel made at meetings of the Modification Panel. Change Section Y Paragraph 5: Meetings of the Modification Panel: Amend 5.6 Panel Chairman: number the existing paragraph 5.6.1 and add new 5.6.2: Unless otherwise provided for in this Section Y, the Chairman shall ensure that all duly convened meetings of the Modification Panel are conducted in accordance with the Chairman's Guidelines as amended from time to time. 5.6.3 Members may propose amendments to the Chairman's Guidelines from time to time by notice to the Secretary who will ensure that the proposed amendment is placed upon the Agenda for consideration at the following Modification Panel meeting. Where the Modification Panel determines by Panel Majority that a proposed amendment to the Chairman's Guidelines shall be accepted, the Secretary shall amend and circulate the Chairman's Guidelines within ten (10) Business Days following such determination. Amend paragraph 5.3.2 to "not less than five (5) Business Days prior to the meeting to which they relate or, where in the opinion of the Secretary, a shorter period would better

facilitate the exercise by the Modification Panel of its powers, within such shorter period as the Secretary shall determine provided always that such determination does not commit the Panel to consider any new items of business not previously placed upon the Agenda except by Panel Majority prior to or at the start of the relevant Panel Meeting".Amend paragraph 5.11.1 to "The Chairman shall ensure that business conducted at Modification Panel meetings is minuted in accordance with the "Chairman's Guidelines" and that a "Report of Determinations" is issued to each Member and each User with three (3) Business Days of the meeting at which the determinations were made".

Proposer's Representative

CHRISTIANE VICTORIA SYKES

Proposer

Powergen Uk Plc

Signature

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