

UNIFORM NETWORK CODE MODIFICATION PANEL
MINUTES OF THE 22 MEETING HELD ON THURSDAY
19 JANUARY 2006

Members Present:

Transporter Representatives: B Grubb (Scotia Gas Networks), R Hewitt (National Grid NTS), and A Raper (National Grid UKD). R Cameron Higgs (Northern Gas Networks) sent a written voting indication to the meeting for item 22.5.a only

User Representatives: P Broom (Gaz de France), S Ladle (Total Gas and Power), C Sykes (EON UK), S Jones (Statoil) and M Young (British Gas Trading)

Ofgem Representative: S McEwen

Consumers Representatives: None

Joint Office: T Davis (Chairman), J Majdanski (Secretary)

22.1 Note of any alternates attending meeting

S Jones for R Cross (Statoil) and R Cameron Higgs (Northern Gas Networks) for L Spierling (Wales and West Utilities) *for item 22.5.a only*

22.2 Record of apologies for absence

R Cameron Higgs (Northern Gas Networks) and L Spierling (Wales and West Utilities)

22.3 Record invitees to meeting

H Fisher (Energyquote).

The Panel voted UNANIMOUSLY to approve G Collins (Cornwall Energy Associates), as an invitee.

22.4 Receive report on status of Urgent Modification Proposals

- a) Proposal 0067 'Compensation payments to Users whose gas flows are curtailed into the system following instructions received from the NEC'
Status = Rejected 21/12/2005
- b) Proposal 0071/71A "User Compensation for NEC Storage Curtailment"
Status = 0071 Rejected & 0071A Implemented 24/12/2005.
- c) Proposal 0072 'Gas Allocations at LNG Storage Facilities in the Event of a Network Gas Supply Emergency'
Status = Implemented 14/01/2006

22.5 Consider New, Non-Urgent Modification Proposals.

- a) Proposal 0073 'Revision to the Notice Period Regarding the Implementation of Changes to Transportation Charges'

Following a presentation from M Pearce (Corona Energy), who requested the Proposal be sent to Consultation, the Panel failed to make a determination and the Proposal was referred to the Transmission Workstream with a report back to the February Panel Meeting.

22.6 Existing Modification Proposals for Reconsideration.

- a) Proposal 0005 (0726) "Provision of a Guarantee of Pressure for Meter Points Operating above 21 mbar by the Relevant Transporter"

The Panel determined by Panel Majority that the Secretary should request the Authority to give an indication of the likely date by which their decision should be made. The following members cast votes: - B Grubb (Scotia Gas Networks), P Broom (Gaz de France), S Ladle (Total Gas and Power), C Sykes (EON UK), S Jones (Statoil) and M Young (British Gas Trading)

22.7 Consider New Proposals for Review.

None.

22.8 Consider Terms of Reference.

None.

22.9 Consider Workstream Monthly Reports.

- a) Distribution
- b) Transmission
- c) Governance
- d) Offtake Arrangements

22.10 Consider Review/Development Work Group Reports.

None.

22.11 Consideration of Final Modification Reports.

- a) Proposal 0054/0054a: Emergency Curtailment Quantity (ECQ) Methodology Statement

Panel Members considered the report was in the correct form and discussed whether or not to recommend implementation of either of the Proposals. Panel Members considered that implementation of Modification Proposal 0054 could be expected to further the GT Licence 'code relevant objectives' of *'the promotion of efficient and economic operation of the pipeline system'* and *'promotion of efficiency in the implementation and administration of the code'* and voted UNANIMOUSLY to recommend implementation of the Proposal.

Panel Members considered that implementation of Modification Proposal 0054a could be expected to further the GT Licence 'code relevant objectives' of *'the promotion of efficient and economic operation of the pipeline system'* and *'facilitating effective competition between relevant Shippers'* and voted by

Panel Majority to recommend implementation of the Proposal. The following members cast votes: - P Broom (Gaz de France), S Ladle (Total Gas and Power), C Sykes (EON UK), S Jones (Statoil) and M Young (British Gas Trading)

In addition the Panel considered which of the two alternate Proposals would better facilitate the achievement of the Relevant Objectives and voted by Panel Majority in favour of Proposal 0054a. The following members cast votes: - P Broom (Gaz de France), S Ladle (Total Gas and Power), C Sykes (EON UK), S Jones (Statoil) and M Young (British Gas Trading)

b) Proposal 0065 'Amend the BNFA Neutrality Interest Rate'

Panel Members considered the report was in the correct form and discussed whether or not to recommend implementation of the Proposal.

Panel Members considered that implementation of this Modification Proposal could be expected to further the GT Licence 'code relevant objective' of '*facilitating effective competition between relevant Shippers*' and voted UNANIMOUSLY to recommend implementation of the Proposal.

c) Proposal 0066 'Programmed Maintenance Notice Periods at NTS System Exit Points'

Panel Members considered the report was in the correct form and discussed whether or not to recommend implementation of the Proposal.

Panel Members considered that implementation of this Modification Proposal could be expected to further the GT Licence 'code relevant objectives' of '*the promotion of efficient and economic operation of the pipeline system*', '*the efficient discharge of the licensee's licence obligations*' and '*facilitating effective competition between relevant Shippers*' and voted UNANIMOUSLY to recommend implementation of the Proposal.

d) Proposal 0069 'Amendment of Network Entry Provisions at the European Interconnector sub-terminal at Bacton'

Panel Members considered the report was in the correct form and discussed whether or not to recommend implementation of the Proposal.

Panel Members considered that implementation of this Modification Proposal could be expected to further the GT Licence 'code relevant objectives' of '*the promotion of efficient and economic operation of the pipeline system*' and '*facilitating effective competition between relevant Shippers*' and voted UNANIMOUSLY to recommend implementation of the Proposal.

22.12 Any Other Business

- a) Draft Review Proposal and Terms of Reference with respect to Proposal 0044
The Panel deferred discussion until a future meeting.

22.13 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 16 February 2006.