

UNIFORM NETWORK CODE MODIFICATION PANEL
MINUTES OF THE 56th MEETING HELD ON THURSDAY
15 NOVEMBER 2007

Members Present:

Transporter Representatives: R Hewitt (National Grid NTS), C Warner (National Grid UKD), L Spierling (Wales & West Utilities), R Cameron-Higgs (Northern Gas Networks) and B Grubb (Scotia Gas Networks).

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

Ofgem Representative(s):

J Dixon

Consumers' Representative(s):

None

Joint Office:

T Davis (Chairman), L Dupont (Secretary)

56.1 Note of any alternates attending meeting:

None.

56.2 Record of apologies for absence:

None.

56.3 Record invitees to meeting:

C Temperley (Gas Forum)

56.4 Receive report on status of Urgent Modification Proposals:

- a) Urgent Proposal 0181: "Scheduling Charges calculation for Gas Flow Days 22, 23, 24, 25 & 26 October 2007"

See item 56.12.

56.5 Consider New, Non-Urgent Modification Proposals

- a) Proposal 0171: "Amendment of "User SP Aggregate Reconciliation Proportion to Incorporate Historical AQ Proportions"

C Hill (RWE Npower) presented the Proposal. Following a brief discussion, Members voted UNANIMOUSLY to refer the Proposal to the Distribution Workstream for further development and the agreement of Business Rules.

- b) Proposal 0179: “Requirement for Non-Effective Days for the Purposes of the UK Link Technology Refresh (UKLTR) Project”

L Spierling (Wales and West Utilities) presented the Proposal. Following a brief discussion, Members voted UNANIMOUSLY to refer the Proposal to the Distribution Workstream for further development.

- c) Proposal 0182: “Information Provision at LNG Importation Facilities”

R Hewitt (National Grid NTS) presented the Proposal. Following a brief discussion, Members voted UNANIMOUSLY to refer the Proposal to the Transmission Workstream for further development.

56.6 Consider New Proposals for Review.

None.

56.7 Consider Terms of Reference.

- a) Proposal 0175: “Encouraging Participation in the elective Daily Metered Regime”

Members agreed amendments to the Terms of Reference, which were then UNANIMOUSLY approved.

- b) Proposal 0176: "Review of NDM Profile Allocation Parameters"

Following a brief discussion, the Panel voted UNANIMOUSLY to approve the Terms of Reference.

56.8 Existing Modification Proposals for Reconsideration.

The position in respect of the Modification Proposals relating to NTS Exit Reform was discussed in light of Ofgem’s decision that all of the previously raised Proposals would be subject to reconsideration. It was recognised that the particular circumstances were not recognised within the UNC Modification Rules and agreed That no formal action should be taken by the Panel at this stage.

56.9 Consider Variation Requests

- a) Proposal 0180: “Replacement of file formats contained within Annex A Part 7 of the LDZ CSEP NExA”

C Warner (National Grid UKD) presented the Variation Request and suggested that the changes made to the file formats were material. The Panel did not determine that the Variation Request was immaterial, with no votes cast in favour of the Proposal being immaterial. Therefore Modification Proposal 0180 was deemed withdrawn and replaced by Modification Proposal 0180V “Replacement of file formats contained within Annex A Part 7 of the LDZ CSEP NExA”.

The Panel then voted UNANIMOUSLY for the varied Proposal to proceed to Consultation.

56.10 Consider Workstream Monthly Reports.

- a) Distribution

Modification Proposal 0160 "Provision of Cost Information" - the Panel agreed to extend the deadline for a Workstream Report to be produced by three months.

- b) Transmission
- c) Governance
- d) Offtake

56.11 Consider Review Group Reports.

- a) Proposal 0131: "LDZ RbD Reconciliation Notification Process

Review Group Report accepted.

56.12 Consider Final Modification Reports.

- a) Urgent Proposal 0181: "Scheduling Charges calculation for Gas Flow Days 22, 23, 24, 25 & 26 October 2007"

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

Some Members considered that implementation of the Proposal could be expected to further the GT Licence 'code relevant objectives' of "*the securing of effective competition between relevant shippers*" and "*the promotion of efficiency in the implementation and administration of the network code and/or the uniform network code.*" It was emphasised that this would be a pragmatic solution, but that it should be made clear that, if implemented, this should not be regarded as setting a precedent.

The Panel then voted whether to recommend implementation of the Proposal, the following Members casting votes: S Leedham, A Barnes, R Fairholme, R Hewitt, and C Warner. Therefore the Modification Panel did not recommend implementation of the Proposal.

56.13 Receive report on status of Consents.

None.

56.14 Any Other Business

None.

56.15 Conclude Meeting and Agree Date of Next Meeting:

The Panel noted that the next meeting is due to be held at Elexon, 350, Euston Road, on 20 December 2007.