

Terms of Reference – V0.2
UNC Modification Reference Number 0131
LDZ RbD Reconciliation Notification Process”

Purpose

A Uniform Network Code Review Group is required to review the current UNC arrangements in respect of the LDZ RbD Reconciliation Notification Process.

Background

There has been a number of very large adjustments applied through LDZ Reconciliation in recent years. The notification process for large reconciliations has been followed on at least two occasions and a review is proposed to consider if this process could be more equitable and flexible.

Under the current arrangements when an LDZ RbD Reconciliation is proposed that is the greater of 50 GWh or £1m then the LDZ RbD Reconciliation Notification Process identified in the Transco Network Code Modification Proposal 0643 is followed. However this process was not incorporated into either Transco’s Network Code or the Uniform Network Code, and so therefore has no legal authority or requirements. Further the process has not been updated to reflect the industry post DN sales, and so there is no concept of Transporters other than National Grid Transco.

It is further clear from recent experiences that the notification process is designed for specific circumstances and provides no flexibility to accommodate complex issues that require significant amounts of analysis and appraisal. It is therefore proposed that the Review identifies the appropriateness of this notification process, the issues that need resolving and the appropriate Governance arrangements for the notification process. It is envisaged that the results of the Review should be to identify a notification process that is acceptable to all of the industry.

Scope

Identifying and considering high level options for regime change which could better meet the aspirations of the industry.

Deliverables

The Group is asked to consider:

1. What the Governance of any notification process should be.
2. What the trigger for the start of the notification process should be, including what event should start the notification process and what the threshold for the notification process should be.
3. Who the participants in a notification process should be, and what their rights/obligations should be.

4. Who should be responsible for facilitating and co-ordinating the notification process.
5. What form the notification process should take including duration, information provision, discussion and resolution.
6. Any other issues not identified that relate directly to the LDZ RbD Notification Process.

A Review Group Report will be produced containing the findings of the Review Group in respect of the work identified above.

Limits

The Review Group will consider potential changes to the Uniform Network Code.

The Review Group will not concern itself with:

- Detailed changes required to processes and procedures
- Detailed changes required to existing systems
- Development of detailed business rules

Composition

The Review Group will comprise the following representation

Name	Organisation
Julian Majdanski (Chair)	Joint Office
Helen Cuin (Secretary)	Joint Office
Richard Wilson	NTS Shrinkage Provider
Stefan Leedham (Proposer)	EDF Energy
Steve Pownall	National Grid Transmission
Tim Davis	Joint Office

A Review Group meeting will be quorate provided at least 2 Transporter and 2 User representatives are present.

Timetable

It is proposed that a total period of 6 months be allowed to conclude this review.

Note:

- Frequency of meetings – monthly. The frequency of meetings will be subject to review and potential change by the Review Group.
- Meetings will be administered by the Joint Office and conducted in accordance with the Chairman’s Guidelines.