19/05/2008

Dear Colleague,

NOTICE OF IMPLEMENTATION
MODIFICATION PROPOSAL No: 0171

"Amendment of "User SP Aggregate Reconciliation Proportion" to incorporate historical AQ Proportions"

Please note that Modification Proposal No 0171 will be implemented with effect from 06:00 hours on 01 June 2008. The Final Modification Report, Version 3.0, was signed by Ofgem on 21/04/2008.

The new Code text resulting from this Modification follows:

Modified Text:

UNIFORM NETWORK CODE – TRANSPORTATION PRINCIPAL DOCUMENT

SECTION E - DAILY QUANTITIES, IMBALANCES AND RECONCILIATION

Amend paragraph 7.2.2 to read as follows:

"7.2.2   Subject to paragraph 7.8, for each Reconciliation Billing Period, for each LDZ and for each Individual Reconciliation Sector:…"

Add new paragraph 7.8 to read as follows:

"**7.8   Qualifying LDZ Reconciliation**

7.8.1   For the purposes of this paragraph 7.8:

   (a)   "**particular"** LDZ Reconciliation is LDZ Reconciliation under paragraph 7.6.1(a) in respect of adjustments (as referred to in that paragraph) made as a result of a particular failure or error in measurement equipment or other particular cause;

   (b)   in relation to particular LDZ Reconciliation:

      (i)   the "**relevant period"** is the continuous period of Days (as referred to in paragraph 7.6.1(a)) in respect of which such adjustments were made;

(ii)   the "**relevant quantity"** is the aggregate quantity which is subject to such adjustment over the whole of the relevant period;

(c)   "**Qualifying"** LDZ Reconciliation is particular LDZ Reconciliation for which the relevant quantity is not less than 50 GWh;

(d)   in relation to Qualifying LDZ Reconciliation, an "**LDZ Reconciliation Month"** is a calendar month which commences and/or ends in the relevant period.

7.8.2   In relation to Qualifying LDZ Reconciliation, Aggregate NDM Reconciliation shall be carried out separately (and not in aggregate with remaining Individual Reconciliation Sectors) by reference to quantities, values and proportions determined separately for each LDZ Reconciliation Month; and accordingly, for the purposes of paragraphs 7.2.2 and 7.2.3:

(a)   references in those paragraphs:

(i)   to Reconciliation Billing Period are to each LDZ Reconciliation Month;

(ii)   to LDZ Reconciliation carried out in a Reconciliation Billing Period are to LDZ Reconciliation carried out in respect of each LDZ Reconciliation Month;

(iii)   to Aggregate Reconciliation Quantity and Aggregate Reconciliation Clearing Value are to the sum, for all Days in each LDZ Reconciliation Month, of the Reconciliation Quantity and Reconciliation Clearing Value determined for each such Day in accordance with paragraph 7.6.2(b)(i); and

(b)   the Aggregate Reconciliation Period is the LDZ Reconciliation Month.

7.8.3   Aggregate NDM Reconciliation in relation to Qualifying LDZ Reconciliation shall be invoiced by Ad-hoc Invoice, issued as soon as reasonably practicable after the carrying out of such LDZ Reconciliation.

7.8.4   Where a User that was a User at any time during the Aggregate Reconciliation Period determined pursuant to paragraph 7.8.2(a)(i) becomes a Discontinuing User on or before the date of submission of the relevant Ad-hoc Invoice, then to the extent that the amounts determined in accordance with paragraph 7.2.3 cannot be recovered from or paid to the Discontinuing User (or from or to any other User that is responsible for the payment of, or entitled to receive, such amounts), such amounts shall be payable by or to all other Users in the proportions that would be determined in accordance with 7.2.3 (as modified by this paragraph 7.8.4) as if User SP LDZ Aggregate AQ and the User CSEP LDZ Aggregate AQ for the Discontinuing User were zero."

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SECTION S – INVOICING AND PAYMENT

Amend Annex S-1 paragraph 6 to read as follows:

Add at the end: "Amounts in respect of Aggregate LDZ Reconciliation pursuant to Section E7.8.2 shall be invoiced by way of Ad-hoc Invoice and not Reconciliation Invoice."

Yours sincerely,

Julian Majdanski
Modification Panel Secretary