

29th May 1998

Network Code Development

31 Homer Road
Solihull
West Midlands B91 3LT

Telephone 0121 626 4431
Direct Line 0121 623 2021
Fax 0121 711 1451

To: Shippers, Panel Members & Non-Network Code Parties

Dear Colleague,

**NOTICE OF IMPLEMENTATION
MODIFICATION PROPOSAL No: 0228**

"Convergence of Balancing Tolerances"

Please note that Modification Proposal No:0228 will be implemented with effect from 06.00 hours on 1st June 1998. The Final Modification Report , Version 1.2 was signed by Ofgas on 29th May, 1998.

The new Network Code text resulting from this Modification is detailed below.

Modified Text:

SECTION F : SYSTEM CLEARING, BALANCING CHARGES AND NEUTRALITY

Amend paragraph 1.3.1

"Subject to paragraph 1.3.2 for the purposes of paragraph 3.3.2 until the date specified or determined....."

Amend paragraph 2.2.2.(i)

"3% in respect of System Exit Points (other than NDM Supply Point Components or DM Supply Point Components where the Annual Quantity of the Supply Point is less than 58,600,000 kWh (2,000,000 therms)) and relevant Connected System Exit Points....."

Renumber paragraph 2.2.2.(ii) as paragraph 2.2.2.(iii)

Add new paragraph 2.2.2.(ii) to read as follows :

"2.2.2.(ii) 8% in respect of DM Supply Point Components where the Annual Quantity of the Supply Point is less than 58,600,000 kWh (2,000,000 therms);"

TRANSITION DOCUMENT PART II PARAGRAPH 8

Delete paragraph F.2.2.2.

Insert new paragraph F.2.2.2.

"2.2.2 For a period of three months commencing on 1 June 1998, the Applicable Imbalance Tolerance Percentage in respect of a VLDMC Supply Point Component to which paragraph F.1.3 applies shall be 8%."

Yours sincerely

A handwritten signature in black ink, appearing to read 'Raksha Parmar', with a stylized flourish at the end.

Raksha Parmar
Commercial Analyst.