TRANSCO NETWORK CODE MODIFICATION PROPOSAL No. 0668
"Energy Balancing Credit Committee Members Personal Liability"
Version 1.0

Date: 13/11/2003

Proposed Implementation Date:

Urgency: Non-Urgent

Justification

Energy Balancing Credit Committee (EBCC) members do not currently have any protection from possible liability claims made against them personally in respect of decisions that they make as EBCC members on behalf of the Shipper Community.

If no protection is afforded to EBCC members, it may prove difficult for existing/future members to make decisions on behalf of the Shipper Community as these may result in an action and/or claim being brought against them personally by Users.

EBCC members have requested that Transco proposes this Modification on its behalf to seek protection for its members.

Nature of Proposal

It is proposed that a provision should be included in the Network Code Section X1.2 (Energy Balancing Credit Committee) that would indemnify EBCC committee members from personal legal action by Users for decisions made in their capacity as EBCC members and Users accept that all decisions made by the committee are made in good faith.

This Modification Proposal will align the Gas Industry with the Electricity Balancing Settlement Code (BSC) which does have protection for its members.

Purpose of Proposal

To implement changes to the Network Code Section X1.2 in respect of Energy Balancing Credit Committee Members Personal Liability, in order to protect EBCC members such that no personal action and or claim may be taken against EBCC members in respect of Shipper Community decisions they make.

Consequence of not making this change

In the absence of any protection for EBCC members in respect of personal liability claims, members may leave the Committee and if no new members are found it could reduce the overall levels of control of the Energy Balancing Credit Committee.

Area of Network Code Concerned

X1.2

Proposer's Representative

Alan G Raper (Transco)

Proposer

Terry A Grove (Transco)

Signature

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