

**CUSTOMER SETTLEMENT ERROR CLAIMS PROCESS
UNC 0429 LEGAL TEXT**

Transportation Principal Document – Section E

Amend paragraph 3.1.9 to read as follows:

Subject to paragraph 1.3.10 below, no Individual Reconciliation, DM Reconciliation, Individual CSEP Reconciliation or Aggregate NDM Reconciliation shall be undertaken in respect of any Day or period prior to the Code Cut Off Date.

Add new paragraph 1.3.10 to read as follows:

Where an Individual NDM Reconciliation, DM Reconciliation, Individual CSEP Reconciliation or Aggregate NDM Reconciliation identifies an adjustment in gas off-taken in the period of time between the Code Cut Off Date and the last Day of Formula Year t-6 which results in an over-payment by the User of £50,000 (fifty thousand pounds) or more in respect of an Individual Supply Point or group of Supply Points (where the adjustment has been made, in the case of a group of Supply Points, as a result of the same root cause), notwithstanding paragraph 1.3.9 above, the User is entitled to make a claim in respect of the time between Code Cut Off Date and the last Day of Formula Year t-6 in accordance with paragraph 1.3.11 below.

Add new paragraph 1.3.11 to read as follows:-

Where a User wishes to make a claim as referred to in paragraph 1.3.10 above, the following process shall be followed:

- (a) the User shall submit to the Transporter's Agent the following information:
- (i) detail in relation to the nature and duration of the error resulting in the adjustment;
 - (ii) the materiality of the claim in terms of volume of gas;
 - (iii) an estimate of the financial impact of the adjustment including energy (by reference to the monthly average of the System Average Prices for the period of the claim and transportation costs (with reference to the Transportation Charges prevailing at the time of the claim);
 - (iv) the dates for which the claim will apply;
 - (v) evidence of the financial losses relating to the Supply Point or group of Supply Points the subject of the claim (including agreement(s) of the customer(s) connected to the Individual Supply Point or group of Supply Points in question);
- (b) the Transporter shall consider the claim and communicate to the User its approval or rejection of such within 90 days of receipt of the claim, during which time the Transporter's Agent shall be entitled to raise queries in relation to the claim and/or to request further information from the User in respect of its claim;
- (c) if the Transporter considers that an amount exceeding £1 million (one million) pounds is to be re-paid to any Shipper, the Transporter's Agent shall issue notification of such fact to Shippers and the amount determined as payable to the Shipper shall be paid within 2 (two) months of approval of the claim.

Add new paragraph 1.3.12 to read as follows:

In the event that the Transporter rejects the User's claim, the User shall be entitled to appeal the Transporter's rejection of the claim within 14 days of its receipt of communication of such rejection in accordance with [UNC General Terms Section A^[1]/paragraph 1.3.13 below.

[Add new paragraph 1.3.13 if it is decided that the general dispute resolution procedure in UNC GT Section A will not apply]

Transportation Principal Document Section F^[2]

General comment: The draft text does not include provisions in relation to the paragraphs in the Mod Proposal re AUGE Process Adjustment which it would appear need to be removed from the "Solution" section of the Proposal.