

UNIFORM NETWORK CODE MODIFICATION PANEL
MINUTES OF THE 13th MEETING HELD ON THURSDAY
15 SEPTEMBER 2005

Members Present:

Transporter Representatives: A Raper (NG/UKD), R Hewitt (NG/UKT), L Spierling (Wales & West Utilities), R Cameron Higgs (Northern Gas Networks), and B Grubb (Scotia Gas Networks)

User Representatives: P Broom (Gaz de France), M Young (BGT), S Ladle (Total Gas & Power Ltd) & S Jones (Statoil).

Ofgem Representative: J Dixon & S McEwen

Consumers Representatives:

Joint Office: T Davis (Chairman), J Majdanski (Secretary)

13.1 Note of any alternates attending meeting.

S Jones for S Parmar (Statoil) and M Young (BGT) for C Sykes (EON UK plc).

13.2 Record of apologies for absence.

S Parmar (Statoil) and C Sykes (EON UK plc).

13.3 Record invitees to meeting.

M Curtis (E=MC²) & H Fisher (Energyquote)

13.4 Receive report on status of Urgent Modification Proposals.

13.4 a) Proposal 036 "Limitation of Incremental Capacity offered in QSEC Auctions"
Status = Final Modification Report sent to Ofgem 08/08/2005

13.4 b) Proposal 042 "Revision of the Emergency Cashout Price"
Status = Final Modification Report sent to Ofgem 02/09/2005

13.4 c) Proposal 043 "Limitation on Offering for Sale Unsold Capacity"
Status = Final Modification Report sent to Ofgem 17/08/2005
After a brief discussion the Panel agreed that it was not necessary to consult on the revised legal text.

13.4 d) Proposal 044 "Revised Emergency Cashout & Curtailment Arrangements"
Status = Final Modification Report sent to Ofgem 02/09/2005

13.5 Consider New, Non-Urgent Modification Proposals. .

13.5(a) Proposal 047 "Additional Data Requirements for DM Capacity Referrals"
Following a presentation from C Warner (NG/UKD), the Panel voted UNANIMOUSLY for the proposal to proceed to consultation.
The Panel voted also UNANIMOUSLY to approve P Lucas as Subject Matter Expert to write the Modification Reports.

13.5b) Proposal 048 "Preparation of Legal Text for Users Modification Proposals"
Following a presentation from M Young (BGT), the Panel voted by Panel Majority for the proposal to proceed to consultation. The following members casting votes A Raper (NG/UKD), L Spierling (Wales & West Utilities), R Cameron Higgs (Northern Gas Networks), B Grubb (Scotia Gas Networks), P Broom (Gaz de France), M Young (BGT) also for C Sykes (EON UK plc), S Ladle (Total Gas & Power Ltd) & S Jones (Statoil).

The Panel voted UNANIMOUSLY to approve A Jennings as Subject Matter Expert to write the Modification Reports.

13.5c) Proposal 049 "Optional Limits for Inert Gases at System Entry Points"
Following a presentation from R Hewitt (NG/UKT), the Panel voted UNANIMOUSLY for the proposal to proceed to consultation.
The Panel voted also UNANIMOUSLY to approve N Sisman as Subject Matter Expert to write the Modification Reports.

13.6 Existing Modification Proposals for Reconsideration.

13.6 a) Proposal 010 (735) Amendment to the Minimum Notice Required for UK Link Changes
Following discussion the Panel considered there was no need to reconsult.

13.7 Consider New Proposals for Review.

None.

13.8 Consider Terms of Reference.

None.

13.9 Consider Workstream Monthly Reports.

13.9(a) Distribution

13.9b) Transmission

13.9c) Governance

13.9d) Offtake Arrangements

13.10 Consider Review/Development Work Group Reports.

13.12 Consideration of Final Modification Reports.

13.12(a) Proposal 005 (0726) "Provision of a Guarantee of Pressure for Meter Points Operating Above 21 mbar by the Relevant Transporter"

The Panel discussed whether or not to recommend implementation of the Proposal. Views were polarised with the proposer considering that the Proposal furthered the GT Licence 'code relevant objective' of facilitating

effective competition between relevant Shippers and between relevant suppliers and this was supported by the majority of User Panel Members.

Transporter Panel Members considered that implementation could lead to increased operational and investment costs which would be inconsistent with the GT Licence 'code relevant objective' of economic and efficient operation of the pipeline system

The Panel held a vote and out of the nine Voting Members present, capable of casting ten votes, four votes were cast in favour of recommending implementation of the Modification Proposal by P Broom (Gaz de France), M Young for C Sykes (EON UK plc), S Ladle (Total Gas & Power Ltd) & S Jones (Statoil).

Therefore the Panel did not recommend implementation of the Proposal.

13.12(b) Proposal 039 "Removal of 9.5.5 of the Modification Rules".

The Panel discussed this Modification Proposal and a majority considered that it furthers the GT Licence 'code relevant objective of "promoting the efficient implementation and administration of the UNC". Others were concerned that this would not be facilitated because there would be less clarity about the operation of this section of the Modification Rules.

The Panel held a vote and out of the nine Voting Members present, capable of casting ten votes, seven votes were cast in favour of recommending implementation of the Modification Proposal. Therefore the Panel voted by Panel Majority to recommend implementation of the Proposal, the following members casting votes. R Hewitt (NG/UKT), B Grubb (Scotia Gas Networks), P Broom (Gaz de France), M Young (BGT) also for C Sykes (EON UK plc), S Ladle (Total Gas & Power Ltd) & S Jones (Statoil).

13.13 Any Other Business.

13.13(a) The Panel voted UNANIMOUSLY to approve the following as an additional subject matter expert:- Jay Munbodh (NG/UKT)

13.14 Conclude Modification Meeting.

The Panel noted the date and time of the next full Modification Panel meeting as 10.00hrs on Thursday 20 October 2005.