

UNIFORM NETWORK CODE MODIFICATION PANEL
MINUTES OF THE 58th MEETING HELD ON THURSDAY
17 JANUARY 2008

Members Present:

Transporter Representatives: R Hewitt (National Grid NTS), C Warner (National Grid UKD), B Grubb (Scotia Gas Networks) and L Spierling (Wales & West Utilities) but not present for Proposals 0186 and 0187.

User Representatives: A Barnes (BG Group), P Broom (Gaz de France), C Wright (British Gas), R Fairholme (EON UK) but not present for Proposal 0186 and S Leedham (EDF Energy) but not present for Proposal 0186.

Ofgem Representative(s):

J Dixon.

Consumers' Representative(s):

None.

Joint Office:

T Davis (Chairman), J Majdanski (Secretary)

58.1 Note of any alternates attending meeting:

L Spierling (Wales & West Utilities) for R Cameron-Higgs (Northern Gas Networks) but not present for Proposals 0186 and 0187.

58.2 Record of apologies for absence:

R Cameron-Higgs (Northern Gas Networks).

58.3 Record invitees to meeting:

None

57.4 Receive report on status of Urgent Modification Proposals:

None

57.5 Consider New, Non-Urgent Modification Proposals

a) Proposal 0185: "Meter Error Notification Process"

Following a presentation from S Leedham (EDF Energy), the Panel voted UNANIMOUSLY for the Proposal to proceed to Consultation. They did not determine that legal text was required, with no votes cast in favour.

b) Proposal 0186: "Provision of Cost Information"

Following a presentation from C Hill (RWE npower), those Panel Members present voted UNANIMOUSLY for the Proposal to proceed to Consultation. They did not determine that legal text was required, with no votes cast in favour.

- c) Proposal 0187: “Alterations to the RMSEC Auction to Accommodate Transfer and Trade of Capacity between ASEPs”

Following a presentation from R Hewitt (National Grid NTS), those Panel Members present voted UNANIMOUSLY for the Proposal to proceed to Consultation. They did not determine that legal text was required, with no votes cast in favour.

- d) Proposal 0188: “Introduction into the UNC of the Agency Charging Statement (User Pays)”

Following a presentation from C Warner (National Grid UKD), the Panel voted UNANIMOUSLY for the Proposal to proceed to Consultation. They did not determine that legal text was required, with no votes cast in favour.

- e) Proposal 0190: “Clarification of Aggregation of Credit Positions using a Guarantee from a Security Provider”

Following a presentation from L Spierling (Wales and West Utilities), the Panel voted UNANIMOUSLY for the Proposal to proceed to Consultation. They did not determine that legal text was required, with no votes cast in favour.

- f) Proposal 0191: “Discontinuance of Code Credit Rules”

Following a presentation from L Spierling (Wales and West Utilities), the Panel voted UNANIMOUSLY for the Proposal to proceed to Consultation. They did not determine that legal text was required, with no votes cast in favour.

- g) Proposal 0192: “Introduction of DNO obligations to facilitate resolution of unresolved USRVs”

Following a presentation from C Warner (National Grid UKD), the Panel voted UNANIMOUSLY for the Proposal to proceed to the Distribution Workstream for development.

- h) Proposal 0193: “Removal of Certain “Gas not made available for offtake” Provisions from the UNC”

Following a presentation from C Warner (National Grid UKD), the Panel voted by Panel Majority for the Proposal to proceed to Consultation, the following Members casting votes; R Hewitt, C Warner, B Grubb, L Spierling (also proxy vote for R Cameron-Higgs), P Broom, S Leedham, C Wright, and A Barnes. They did not determine that legal text was required, with no votes cast in favour.

- i) Proposal 0194: “Correct Apportionment of NDM Error – Energy”

Following a presentation from C Wright (British Gas), the Panel voted UNANIMOUSLY for the Proposal to proceed to a Development Workgroup.

58.6 Consider New Proposals for Review.

None.

58.7 Consider Terms of Reference.

None

58.8 Existing Modification Proposals for Reconsideration.

None

58.9 Consider Variation Requests

None

58.10 Consider Workstream Monthly Reports.

- a) Distribution
- b) Transmission
- c) Governance
- d) Offtake

58.11 Consider Review Group Reports.

- a) Proposal 0158: "Review of User Suppressed Reconciliation Values' incentive arrangements"

The Review Group report was accepted.

- b) Proposal 0166: "Review of necessary reform of NTS Offtake Arrangements"

The Review Group report was accepted and its recommendation in the form of a Modification Proposal "Introduction of Enduring NTS Exit Capacity Arrangements", was UNANIMOUSLY supported by the Panel. The Panel then voted UNANIMOUSLY for the new Proposal (to be referenced 0195) to proceed to the Transmission Workstream.

58.12 Consider Final Modification Reports.

None

58.13 Receive report on status of Consents.

None

58.14 Any Other Business

The Panel agreed the wording of its response to the Ofgem open letter on a review of code governance.

58.15 Conclude Meeting and Agree Date of Next Meeting:

The Panel noted that the next Panel meeting is due to be held at Elexon, 350 Euston Road, on 7 February 2008, at 1:00pm, to make a recommendation for Proposals 0184 and 0189, with the next full Panel meeting at 10:00am on 21 February 2008.