

UNIFORM NETWORK CODE MODIFICATION PANEL
MINUTES OF THE 54th MEETING HELD ON THURSDAY
20 SEPTEMBER 2007

Members Present:

Transporter Representatives: R Hewitt (National Grid NTS), C Warner (National Grid UKD), S Trivella (Wales & West Utilities) and B Grubb (Scotia Gas Networks).

User Representatives: A Barnes (BG Group), B Cooper (Gaz de France), C Wright (British Gas Trading) C Sykes (Statoil) and R Fairholme (EON).

Ofgem Representative(s):

J Dixon

Consumers Representative(s):

None

Joint Office:

T Davis (Chairman), J Majdanski Secretary)

54.1 Note of any alternates attending meeting:

C Warner (National Grid UKD) for R Cameron-Higgs (Northern Gas Networks), S Trivella for L Spierling (Wales & West Utilities), C Wright for M Young (British Gas Trading), R Fairholme for P Bolitho (EON), B Cooper for P Broom (Gaz de France) and C Sykes for S Rouse (Statoil).

54.2 Record of apologies for absence:

S Rouse (Statoil), P Broom (Gaz de France), P Bolitho (EON), M Young (British Gas Trading), L Spierling (Wales & West Utilities) and R Cameron-Higgs (Northern Gas Networks)

54.3 Record invitees to meeting:

C Temperley (Gas Forum)

54.4 Receive report on status of Urgent Modification Proposals:

- a) Proposals 0156, 0156A, 0169A: "Transfer and Trading of Capacity between ASEPs".
Status = Rejected 06/09/2007
- b) Proposal 0169: "Transfer and Trading of Capacity between ASEPs".
Status = Accepted 06/09/2007
- c) Proposal 0170: "User Admission Requirements for Applicant Shippers Who Solely Wish to Participate in Long Term Entry Capacity Auctions".
Status = Withdrawn 10/09/2007

54.5 Consider New, Non-Urgent Modification Proposals

- a) Proposal 0171: “Amendment of “User SP Aggregate Reconciliation Proportion to Incorporate Historical AQ Proportions”

Following a presentation from C Hill (RWE npower) and a discussion, the Panel voted UNANIMOUSLY to defer making a decision until the next full meeting to allow clarification of the Proposal.

- b) Proposal 0172: “Transporter Obligations Pertaining to Void and Vacant Sites”

Following a presentation from C Hill (RWE npower), the Panel voted UNANIMOUSLY for the Proposal to proceed to the Distribution Workstream.

- c) Proposal 0173: “Obligations to Process Data Received From iGTs in Line With Requirements, Within Annex A of the CSEP NExA”

Following a presentation from S Trivella (Wales & West Utilities), the Panel voted UNANIMOUSLY for the Proposal to proceed to Consultation for a reduced period of ten (10) days. They did not determine that legal text was required, with no votes cast in favour.

On behalf of Ofgem, Jon Dixon directed Wales & West Utilities to provide legal text for this Modification Proposal.

- d) Proposal 0174: "Revised Tender Timescale for DN Interruption Arrangements”

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

54.6 Consider New Proposals for Review.

- a) Proposal 0175: “Encouraging Participation in the Elective Daily Metered Regime”

Following a presentation from B Cooper (Gaz de France) and a short discussion, the Panel voted UNANIMOUSLY for the Proposal to proceed to Review.

54.7 Consider Terms of Reference.

- a) Proposal 0158: “Review of User Suppressed Reconciliation Values’ incentive arrangements”

Terms of Reference approved by the Panel.

- b) Proposal 0162: “Review of information provision to Shippers in respect of forecasting the future path of transportation charges”

Terms of Reference approved by the Panel.

- d) Proposal 0166: “Review of necessary reform of NTS Offtake Arrangements”

Terms of Reference approved by the Panel.

- e) Proposal 0168: “Individual Meter Point Reconciliation”

Terms of Reference approved by the Panel.

54.8 Existing Modification Proposals for Reconsideration.

None

54.9 Consider Variation Requests

None

54.10 Consider Workstream Monthly Reports.

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

54.11 Consider Review/Development Work Group Reports.

- a) Proposal 0131 “LDZ RbD Reconciliation Notification Process
- b) Proposal 0140 “Review of Information Provision on National Grids Information Exchange”
- c) Proposal 0157 “Review of IGT Settlement and Reconciliation Arrangements”
- d) Proposal 0158 “Review of User Suppressed Reconciliation Values’ Incentive Arrangements”
- e) Proposal 0162 “Review of Information Provision to Shippers in Respect of Forecasting the Future Path of Transportation Charges”
- f) Proposal 0166: “Review of Necessary Reform of NTS Offtake Arrangements”
- g) Proposal 0168: “Individual Meter Point Reconciliation”

After considering these reports the Panel requested that in future they only receive a report if a specific issue needs to be drawn to their attention.

54.12 Consider Final Modification Reports.

- a) Proposal 0167: “Changes to Reconciliation Arrangements Under CSEP NExA”

Members considered the report was in the correct form and discussed whether or not to recommend implementation of the Proposal. They did not determine that new issues had been raised that justified seeking further views from a Workstream or Development Workgroup.

Members considered that implementation of the Proposal could be expected to further the GT Licence ‘code relevant objective of *“the securing of effective competition between relevant shippers”*. The Panel then voted UNANIMOUSLY to recommended implementation of the Proposal.

54.13 Receive report on status of Consents.

T Davis reported there had been two consents raised since the last meeting. One was to change references to “Blackwater” to Wales & West Utilities within their Individual Network Code and the other was to update GT Licence references within the UNC.

54.14 Any Other Business

T Davis noted the change in Shipper Panel Members for the forthcoming Gas Year, and thanked the outgoing Members for their contribution and support during their tenure.

54.15 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 18 October 2007.