

**UNIFORM NETWORK CODE MODIFICATION PANEL**  
**REVISED MINUTES OF THE 7th MEETING HELD ON**  
**THURSDAY 21 JULY 2005**

**Members Present:**

**Transporter Representatives:** C Warner (NGT/UKD ), R Hewitt (NGT/UKT), R Cameron Higgs (Northern Gas Networks), S Featherstone (Scotia Gas Networks) & L Waters (Wales & West Utilities)

**User Representatives:** P Broom (Gaz de France), M Young (BGT), S Ladle (Total Gas & Power Ltd), C Sykes (EON UK plc) & R Cross (Statoil).

**Ofgem Representative:** J Dixon

**Consumers Representatives:**

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

**7.1 Note of any alternates attending meeting.**

C Warner for D McLaughlin (UKD), L Waters for L Spierling (Wales & West Utilities), S Featherstone for B Grubb (Scotia Gas Networks) & R Cross for S Parmar (Statoil).

**7.2 Record of apologies for absence.**

L Spierling (Wales & West Utilities), B Grubb (Scotia Gas Networks) & S Parmar (Statoil).

**7.3 Record invitees to meeting.**

N Durlacher & L Roscorla (Elexon), M Curtis (E=MC<sup>2</sup>), H Fisher (Energyquote) and S Gott (Gemserv).

The Panel voted UNANIMOUSLY to approve C Wheeler (Gemserv) as an invitee to Panel meetings.

**7.4 Receive report on status of Urgent Modification Proposals.**

7.4 a) Proposal 021 "Revision of the Emergency Cashout Arrangements"  
Status = Final Modification Report sent to Ofgem 20/07/2005

7.4 b) Proposal 029 "Metering Arrangements at Special Metering Supply Points"  
Status = Implemented 11/07/2005

7.4 c) Proposal 036 "Limitation of Incremental Capacity offered in QSEC Auctions"  
Status = Representations close out 25/07/2005

7.4 d) Proposal 037 "Limitation on Offering For Sale Unsold Capacity"  
Status = Representations close out 25/07/2005

## **7.5 Consider New, Non-Urgent Modification Proposals. .**

- 7.5(a) Proposal 031 "Re-assessment of User Unsecured Credit Limits"  
Following a presentation from S Howe (RWE npower), the Panel voted UNANIMOUSLY for the proposal to proceed to the Distribution Workstream with a report back to the 8 August Panel teleconference.
- 7.5b) Proposal 032 "Adjustment to the number of days in the V A R calculation to bring the Code Credit Rules into line with the Best Practice Guidelines, Conclusions document Feb 2005"  
Following a presentation from from S Howe (RWE npower), the Panel voted UNANIMOUSLY for the proposal to proceed to the Distribution Workstream with a report back to the 8 August Panel teleconference.
- 7.5(c) Proposal 033 "Notification to Users of Emergency Incidents - Impacts on Code Communications"  
Following a presentation from C Warner (NGT/UKD), the Panel voted by PANEL MAJORITY for the proposal to proceed to consultation. The following members casting votes:- C Warner, R Hewitt, R Cameron Higgs, L Waters, S Ladle, C Sykes, P Broom, M Young & R Cross.

The Panel voted also UNANIMOUSLY to approve P Lucas as Subject Matter Expert to write the Modification Reports.

- 7.5(d) Proposal 034 "Netting off of Payments and Credits relating to Transportation Charges"  
Following a presentation from from M Young (BGT), the Panel voted UNANIMOUSLY for the proposal to proceed to to the Distribution Workstream with a report back to the 8 August Panel teleconference.
- 7.5e) Proposal 035 "Revisions to Section Q to Facilitate the Revised NEC Safety Case"  
Following a presentation from R Hewitt (NGT/UKT), the Panel failed to make a determination and the Proposal was referred to the Transmission Workstream and the Panel voted UNANIMOUSLY for a report back to the 18 August Panel meeting.
- 7.5 f) Proposal 038 "Provision of Information to Support Development of the NTS Investment Programme "  
Following a presentation from R Hewitt (NGT/UKT), the Panel failed to make a determination and the Proposal was referred to the Distribution Workstream and the Panel voted by PANEL MAJORITY for a report back to the 4 August Panel teleconference.  
The following members casting votes:- C Warner, R Cameron Higgs, L Waters, S Featherstone, S Ladle, C Sykes, P Broom, M Young & R Cross.

## **7.6 Existing Modification Proposals for Reconsideration.**

- 7.6 a) Proposal 011 (0736) "Reintroduction of Constrained Top-up"  
Following a discussion the Panel voted UNANIMOUSLY to defer making a decision until the 18 August Panel meeting.

## **7.7 Consider New Proposals for Review.**None.

**7.8 Consider Terms of Reference.** None.

**7.9 Consider Workstream Monthly Reports.**

3.9(a) Distribution

- (i) Proposal 023 “Re-assessment of User Unsecured Credit Limits”  
Following a discussion the Panel voted UNANIMOUSLY to defer making a decision until the 8 August Panel teleconference.
- (ii) Proposal 024 “Independent security provision by an entity with an Investment Grade Rating of ‘A’ or above”  
Following a discussion the Panel voted UNANIMOUSLY to defer making a decision until the 8 August Panel teleconference.
- (iii) Proposal 025 “Notice Period for Credit Limit Downgrade and Remedies for Non-compliance”  
Following a discussion the Panel voted UNANIMOUSLY to defer making a decision until the 8 August Panel teleconference.
- (iv) Proposal 026 “Application of Charges consistent with Late Payment of Commercial Debts (interest) Act 1998”  
Following a discussion the Panel voted UNANIMOUSLY to defer making a decision until the 8 August Panel teleconference.
- (v) Proposal 027 “Right of Set Off under Uniform Network Code”  
Following a discussion the Panel voted UNANIMOUSLY to defer making a decision until the 8 August Panel teleconference.

7.9b) Transmission

7.9c) Governance

7.9d) Offtake Arrangements

**7.10 Consider Review/Development Work Group Reports.**

7.10 a) Review Proposal 001 (0650) "Provision of Testing Services for Electronic Code Communications"  
The Panel accepted the report.

7.10 b) Review Proposal 020 “Proposal to establish a review group to assess whether any changes are needed to UNC Governance in the light of the imminent introduction of the Appeals mechanism against Authority UNC modification decisions”  
The Panel accepted the report and voted UNANIMOUSLY to support the recommendation that two Modification Proposals should be made;

First recommended new Modification Proposal 039 "Removal of 9.5.5 of the Modification Rules"

Following a discussion the Panel voted UNANIMOUSLY for the proposal to proceed to consultation.  
The Panel voted also UNANIMOUSLY to approve P Mills Baker as Subject Matter Expert to write the Modification Reports.

Second recommended new Modification Proposal 040 "Variation of Proposals in light of a Competition Commission direction"

Following a discussion the Panel voted UNANIMOUSLY for the proposal to proceed to the Governance Workstream.

The Panel voted also UNANIMOUSLY for the Workstream to report back no later than the 20 October Panel meeting.

### **7.12 Consideration of Final Modification Reports.**

Proposal 017 "Amendments to the Provisions Governing 'failure' to obtain readings"  
The Panel considered the report was in the correct form and discussed whether or not to recommend implementation of the Proposal.

The Panel considered that this Modification Proposal furthers the GT Licence 'code relevant objective' of *'the promotion of efficiency in the implementation and administration of the code'* and voted UNANIMOUSLY to recommend implementation of the Proposal

### **7.12 Any Other Business.**

Publication of representations. M Young requested that representations be published as soon as possible rather than waiting for the final Modification Report to be prepared.

The Panel agreed this was sensible and requested the Joint Office to arrange this and notify Users.

### **7.13 Conclude Modification Meeting.**

The Panel agreed to convene by teleconference on 4 August at 1.00pm and again on 8 August at 1.00pm.

They also noted the date and time of the next full Modification Panel meeting as 10.00hrs on Thursday 18 August 2005.