

UNC Panel Chair, UNC Panel, Gas Transporters, Gas Shippers and other interested parties

Direct Dial: 020 7901 7034 Email: rob.church@ofgem.gov.uk

Date: 8 January 2014

Dear Les,

Authority decision to 'send back' UNC modification proposal UNC425V 'Reestablishment of Supply Meter Points – Shipperless sites'

On 21 November 2013, the UNC Panel submitted a Final Modification Report (FMR) for UNC modification proposal 425V 'Re-establishment of Supply Meter Points – Shipperless sites'

We have decided that we cannot form an opinion on UNC425V based on the FMR as submitted to us as we consider there to be a defect in the legal drafting.

We understand that there is an unintended consequence with the effective date of 1 January 2014 as set out in the legal text. Section 6 of the FMR states that this date would only have applied had the Authority made a decision by 1 November 2013, three weeks before we received the report. If this date remains as it is, the unintended consequence would be that this modification would capture any supply points isolated during that period, meaning it would have a retrospective effect rather than giving shippers a notice period to change/strengthen any associated operational procedures.

We therefore direct that further work is undertaken in order to ensure that the legal drafting is aligned with the intention expressed in the proposal, namely, that it is to apply only to those supply points isolated from [a] date following the implementation date. This date should also be incorporated into a revised version of the FMR.

After addressing the issues discussed above, and revising the FMR and legal text accordingly, the UNC Panel should re-submit UNC425V to us for decision as soon as practicable.

Yours sincerely,

Rob Church

Associate Partner, Smart Metering and Smarter Markets

Signed on behalf of the Authority and authorised for that purpose