

**ENERGY BALANCING CREDIT COMMITTEE MEETING
18 August 2006**

Participants

Joint Office Chair (Non voting)

Julian Majdanski

Shippers

Gavin Ferguson

Johanna Fitzgerald

Gary Russell

Accord

RWE

Corona

xoserve (Non voting)

Jayne Deasley

Mark Cockayne

Apologies

Steve Mackay

Julie McNay

Lee Selway

Ofgem

SSE

EdF Energy

Introduction

JM welcomed members to the meeting, which was not quorate.

Minutes from the Previous Meetings

The minutes from the previous meeting were reviewed.

The following represents July's Operational update:

JD provided the following Operational update:

EBCC Pack issued 7/07/2006.

Cash Call Notices:

During June 2006, 4 Cash Call Notices (CCN) were issued, none of which were appealed, all have been paid on the due date. There were no "Failure to Pay Notices" issued.

Further Security Requests:

1 Further Security Request was issued during June 2006 with a value > £10K < £100K.

Settlement:

The following performance was reported:

Month	Payment Due Date	Payment Due Date +6
May	99.06%	100%
June	98.14%	100%
Year to date	98.47%	100%

Network Operators performance: one late paid invoice of less than £10K.

Update on this winter's Terminations

Reepham Limited

No further update available.

Utilita Gas Shipping Limited

Ofgem have still not revoked the Licence despite the winding up petition being granted on 6 June. When asked they explained they were still in discussions. JD to draft a letter to Ofgem raising concerns that the EBCC members have with this matter. A draft of the letter will be issued to the EBCC for review prior to issue.

Enron

No further update available.

IEU

No further update available.

Review of Process

Update on actions from last month

- 1) Investigate the potential to reduce the timescales for the Cash Call Notice, Energy Balancing and Further Security Request processes by removing the issue of Failure Notices. The draft Modification Proposal has been reviewed and will be sponsored by GF.
- 2) Mod to give EBCC the power to instruct NTS over appropriate recovery steps. – A draft Modification Proposal has been reviewed and will be sponsored by GF.
- 3) Look at processes once termination has been issued with the aim to tighten timescales thereby reducing overall debt.
JD reported that CRM had attended a seminar and had learnt that it was possible to apply for a winding up petition without issuing a Statutory Demand, which would considerably shorten timescales. Members discussed whether it would be possible to do these two actions in tandem or whether the issue of a Stat Demand would frustrate any application to wind up. Legal advice would be sought.

A.O.B.

JD reported that a meeting had been arranged with Elexon to examine how credit issues were handled in the electricity industry.

Next Meeting: teleconference at 10:30 hours on 22 September.