

30/01/2007

Dear Colleague,

NOTICE OF IMPLEMENTATION
MODIFICATION PROPOSAL No: 0125

“Introduction of new balancing neutrality charge for cost of residual balancer collateral on the OCM”

Please note that Modification Proposal No 0125 will be implemented with effect from 06:00 hours on 01/02/2007. The Final Modification Report, Version 3.0, was signed by Ofgem on 30/01/2007.

The new Code text resulting from this Modification follows.

Modified Text:

UNIFORM NETWORK CODE – TRANSPORTATION PRINCIPAL DOCUMENT
SECTION F – SYSTEM CLEARING, BALANCING CHARGES AND NEUTRALITY

Amend paragraph 4.5.3(a) to read as follows:

“(a) the sum of the following amounts:

(i)

(ii)

(iii)

(iv)

(v)

(1)

(2)

(vi) in respect of Days in month m; and

(vii) the amount of any costs, expenses or other amount incurred by National Grid NTS in providing security and/or collateral to the Trading System Operator (pursuant to the Trading System Arrangements) in respect of Market Balancing Actions taken or to be taken by National Grid NTS and paid in month m.”

Yours sincerely,

Julian Majdanski
Modification Panel Secretary