

09/12/2005

Dear Colleague,

NOTICE OF IMPLEMENTATION
MODIFICATION PROPOSAL No: 0026

"Application of Charges consistent with Late Payment of Commercial Debts (interest) Act 1998"

Please note that Modification Proposal No 0026 was implemented with effect from 06:00 hours on 01/02/2006. The Final Modification Report, Version 2.0, was signed by Ofgem on 09/12/2005.

The new Code text resulting from this Modification follows.

Modified Text:

UNIFORM NETWORK CODE - TRANSPORTATION PRINCIPAL DOCUMENT

Section S: INVOICING AND PAYMENT

Paragraph 3.6.4 shall be deleted and replaced with the following:

3.6.4 The Applicable Interest Rate shall be:

- (a) except as provided in paragraph (b), the rate of interest set for the relevant period as the statutory interest rate for the purposes of the Late Payment of Commercial Debts (Interest) Act 1998; or
- (b) for the purposes only of paragraphs 1.5.4(a)(ii), 4.2.5 and 4.3.2, or where otherwise expressly provided in the Code, the base rate for the time being of Barclays Bank PLC plus one (1) percentage point per annum.

Add new paragraph 3.6.5 as follows:

If the Applicable Interest Rate (pursuant to paragraph 3.6.4(a)) is exercised then the creditor shall be entitled to recover compensation from the debtor to the value according to the provisions of the Late Payment of Commercial Debts (Interest) Act 1998.

Yours sincerely,

Julian Majdanski

Modification Panel Secretary