

03/04/2007

Dear Colleague,

**NOTICE OF IMPLEMENTATION
MODIFICATION PROPOSAL No: 0127**

"Introduction of a DN Pensions Deficit Charge on DNO Users"

Please note that Modification Proposal No 0127 was implemented with effect from 06:00 hours on 03 April 2007. The Final Modification Report, Version 3.0, was signed by Ofgem on 03/04/2007.

**UNIFORM NETWORK CODE – TRANSPORTATION PRINCIPAL DOCUMENT
SECTION B – SYSTEM USE AND CAPACITY**

Amend paragraph 1.7.1 to read as follows:

“1.7.1 For the purposes of the Code:

- (a) **"Transportation Charges"** are charges (other than Energy Balancing Charges or Storage Charges) payable by a User in respect of a transportation arrangement under the Code, and (subject to paragraph 1.7.8) comprise Capacity Charges, Commodity Charges, Customer Charges, and CSEP Charges and are amounts payable by a DNO User in respect of DN Pensions Deficit Charges;
- (b) **"Metering Charges"** “

Amend paragraph 1.12 to read as follows:

“1.12 In this Section B references to Users, except in paragraphs 1.2.1, 1.2.5, 3.9, 6 and 7, exclude DNO Users.”

Insert a new paragraph 7 as follows:

“7. DN Pensions Deficit Charge

7.1 DNO Users shall pay National Grid NTS a transportation charge (the “DN Pensions Deficit Charge”) in respect of pension deficits. The amount of such DN Pensions Deficit Charge shall be determined in accordance with the Transportation Statement of National Grid NTS. Such DN Pensions Deficit Charges shall be invoiced and payable in accordance with Section S.”

**UNIFORM NETWORK CODE – TRANSPORTATION PRINCIPAL DOCUMENT
SECTION V - GENERAL**

Amend paragraph 3.1.5 to read as follows:

“3.1.5 In this paragraph 3 references to:

- (a) Users ~~excludes~~ includes DNO Users;

- (b) National Grid NTS and National Grid Gas plc as DN Operator shall be construed as a single reference to a Transporter.”

Amend paragraph 4.1.6 to read as follows:

“4.1.6 In this paragraph 4 references to:

- (a) Users ~~excludes~~ includes DNO Users;
- (b) National Grid NTS and National Grid as DN Operator shall be construed as a reference to a single Transporter.”

Yours sincerely,

Julian Majdanski
Modification Panel Secretary