

08/04/2008

Dear Colleague,

**NOTICE OF IMPLEMENTATION
MODIFICATION PROPOSAL No: 0188**

“Introduction into the UNC of the Agency Charging Statement (“User Pays”)

Please note that Modification Proposal No 0188 will be implemented with effect from 06:00 hours on 09/04/2008. The Final Modification Report, Version 4.0, was signed by Ofgem on 03/04/2008.

The new Code text resulting from this Modification follows.

**UNIFORM NETWORK CODE – TRANSPORTATION PRINCIPAL DOCUMENT
Section B System Use and Capacity**

Amend paragraph 1.7.1(a) to read as follows:

“ 1.7.1 For the purposes of the Code:

(a) “Transportation Charges” are:

- (i) 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 User Pays Charges; and
- (ii) are amounts payable by a DNO User in respect of the DN Pensions Deficit Charges;”

Amend paragraph 1.7.8 to read as follows:

“1.7.8 The further provisions of the Code set out the basis on which Transportation Charges and Metering Charges are payable by Users; provided that (subject to paragraph 1.8.2) where:

- (a) the prevailing Transportation Statement, or Metering Charges Statement or Agency Charging Statement provides for any charge which is not provided for in the Code; and
- (b) the amount payable by way of such charge in any case is capable of being determined by reference to the provisions of the Code prevailing at the time;

such charge shall be a Transportation Charge or Metering Charge and shall be payable by Users or Users of such class in accordance with the relevant provisions of the Transportation Statement or the Metering Charges Statement respectively.”

Add new paragraph 1.7.11 to read as follows:

“1.7.11 “**Agency Charging Statement**” is the statement prepared pursuant to Standard Special Condition A 15 (7) to (12) of the Gas Transporter’s Licence.”

Add new paragraph 1.7.12 to read as follows:

“1.7.12 A “**User Pays Charge**” is a charge determined in accordance with the methodology contained in the Agency Charging Statement as payable in respect of a User Pays Service.”

Add new paragraph 1.7.13 to read as follows:

“1.7.13 For the purposes of the Code, “**User Pays Service**” is a service of a type described as a Code service in Appendix 1 of the Agency Charging Statement.”

UNIFORM NETWORK CODE – TRANSPORTATION PRINCIPAL DOCUMENT

Section M - Supply Point Metering

Amend paragraph 3.6.1 to read as follows:

“ 3.6.1 Subject to paragraphs 3.6.4 and 3.6.5 where at the end of any calendar month a User has failed to comply with the requirement in paragraph 3.4.1(a) or 3.5.1(a) in respect of a Monthly Read Meter or (as the case may be) Annual Read Meter:

- (a) the Transporter will, unless it appears to the Transporter (in its sole discretion) that the circumstances are such that it would be inappropriate to do so, use reasonable endeavours to obtain a Meter Reading from such Meter and such activity will be performed as a User Pays Service;
- (b) the User shall, irrespective of whether the User remains the Registered User of the relevant Supply Point, pay (in accordance with Section S) to the Transporter ~~the amount shown as payable in such circumstances in the Transporter’s Transportation Statement~~ a User Pays Charge in respect of such User Pays Service”

Amend paragraph 3.8.8 to read as follows:

“ 3.8.8 Subject to paragraph 3.8.9, where a User notifies to the Transporter an Agreed Opening Meter Reading under paragraph 3.8.7:

- (a) the User shall be deemed thereby to warrant to the Transporter and to the Withdrawing User that such reading has been agreed by the Withdrawing User (and GT Section B2.4.1 shall not apply in respect of this paragraph (a));
- (b) the Transporter will accept such reading;
- (c) the Individual NDM Reconciliation in relation to the Withdrawing User (determined under Section E6.2 in accordance with the original Opening Meter Reading or estimated Meter Reading under paragraph 3.8.5) shall be revised in accordance with Section E6.7.2; ~~and~~
- (d) the Transporter will notify the Agreed Opening Meter Reading to the Withdrawing User; and
- (e) the activities performed by the Transporter in accordance with paragraphs (b) (c) and (d) will be performed as a User Pays Service and the User shall pay (in accordance with Section S) to the Transporter a User Pays Charge in respect of such User Pays Service.”

UNIFORM NETWORK CODE – TRANSPORTATION PRINCIPAL DOCUMENT

TPD Section V – General

Add new paragraph 2.1.5 to read as follows:

“ 2.1.5 The activities performed in accordance with paragraph 2.1.2(d)(i) and the other activities performed in accordance with paragraph 2.1.2 to enable the Applicant User to accede to a Shipper Framework Agreement will be performed as a User Pays Service and the Applicant User shall pay (not in accordance with Section S) to National Grid NTS a User Pays Charge in respect of each such User Pays Service.”

Yours sincerely,

Julian Majdanski
Modification Panel Secretary