

02/05/2008

Dear Colleague,

**NOTICE OF IMPLEMENTATION
MODIFICATION PROPOSAL No: 0191V
Discontinuance of Code Credit Rules**

Please note that Modification Proposal No 0191V will be implemented with effect from 06:00 hours on 06/05/2008. The Final Modification Report, Version 3.0, was signed by Ofgem on 02/05/2008.

The new Code text resulting from this Modification follows:

Modified Text:

TRANSPORTATION PRINCIPAL DOCUMENT - SECTION V: GENERAL

Remove paragraph 3.1.2

~~The "Code Credit Rules" are the rules from time to time established and revised by the Transporter and issued to Users setting out (inter alia) procedures by which a User may discuss its Code Credit Limit with the Transporter.~~

Remove paragraph 3.1.3

~~The Code Credit Rules do not form a part of the Code and (but without prejudice to the further provisions of this paragraph or to anything done pursuant to the Code Credit Rules) nothing in the Code shall make compliance with such rules an obligation of the Transporter or Users.~~

Remove paragraph 3.1.4

~~Nothing in the Code or the Code Credit Rules shall constitute any duty of care or other obligation on the part of the Transporter (whether to or for the benefit of the User in question or Users in general) in relation to the implementation of the Code Credit Rules or the provisions of this paragraph 3.~~

Renumber and amend references within, and relating to paragraph 3.1

Amend paragraph 3.2.8

The Transporter will not be obliged to agree to any request of the User under paragraph ~~3.2.5~~ 3.2.4(b) unless the User agrees to reimburse to the Transporter the reasonable costs and fees payable by the Transporter to any third party in accordance with the Code ~~Credit Rules~~ in connection with such request.

TRANSPORTATION PRINCIPAL DOCUMENT - SECTION G: SUPPLY POINTS

Amend paragraph 2.1.10(b)

In the event that following the review referred to in paragraph 2.1.10 the Transporter notifies the Last Resort User that additional security is required, then the Last Resort User shall be obliged to provide the requisite security in accordance with the Code ~~Credit Rules~~ or Energy Balancing Credit Rules (as appropriate) in favour of the Transporter (or National Grid NTS) as soon as reasonably practicable thereafter but in

any event no later than 14 Days of the day of notification and upon receipt of that security the Transporter shall revise the Last Resort User's Code Credit Limit (and/or in the case of National Grid NTS) Secured Credit Limit (as appropriate) as soon as reasonably practicable thereafter but in any event no later than 14 Days after the date of notification to take effect from the date of that revision.

TRANSITION DOCUMENT - PART IIB: RELEVANT TRANSPORTERS

Remove paragraph 12.1

~~For each Relevant Transporter, as at the First Day the Code Credit Rules and (in relation to each User) the Code Credit Limit are the rules and limit established by National Grid (in anticipation of the UNC Implementation Date) separately for each Relevant Transporter on or before the Last Day, and a User may (in anticipation of the UNC Implementation Date) have provided surety or security (taking effect from the First Day) separately for such Relevant Transporter.~~

Yours sincerely,

Julian Majdanski
Modification Panel Secretary