

NG House Warwick Technology Park Gallows Hill, Warwick CV34 6DA

Mr Bob Fletcher Joint Office of Gas Transporters First Floor South 31 Homer Rd Solihull B91 3LT Claire Thorneywork
Gas Codes Development
Transmission
Tel: 01926 656383

Claire.I.Thorneywork@uk.ngrid.com

www.nationalgrid.com

09 September 2008

## Modification Proposal 0199 'Clarification around the application of the UNC Dispute Resolution Process'

Dear Bob,

Thank you for your invitation seeking representation with respect to the above Modification Proposal.

National Grid Transmission does not support this Modification Proposal.

Prevailing provisions of the UNC General Terms (GT) section A – Disputes Resolution paragraph 1.1.2 (a) states that, 'a "dispute" is any dispute or difference arising between the Parties under or in connection with the Code, the Framework Agreement, any Ancillary Agreement or any Supplemental Agreement.'

We understand that the proposer is seeking to address a perceived lack of clarity regarding, "the extent to which GT Section A can be applied where the user cannot link their dispute directly to a chargeable service covered in Section S of the TPD." The proposer states that, "there are a number of services and obligations carried out by Transporters that are defined in the UNC that are not covered by an invoice item as defined in TCP Section S and there is a lack of clarity as to whether they are subject to the query process as defined in Section A." We observe that the UNC GT Section A does not state that a 'dispute' may only be applied where 'the User can link their dispute directly to a chargeable service covered in section S of the TPD', therefore we believe that the prevailing provisions of UNC GT section A are sufficiently clear that a dispute may be raised in respect of any part of the UNC and UNC related documents, in the absence of any related invoice query being raised or associated to it. For this reason we do not consider that this 'clarificatory' Modification Proposal is necessary.

2) Extent to which implementation of this Modification proposal would better facilitate the achievement (for the purposes of each Transporters Licence) of the Relevant Objectives:





(f) so far as is consistent with sub- paragraphs (a) to (e), the promotion of efficiency in the implementation and administration of the network code and/or uniform network code:

We believe that if implemented, this Proposal would set an unnecessary precedent that could lead to a spate of proposals that seek to add text to Code which, though allegedly adding clarity, merely results in adding text. Such a position would be inefficient and uneconomical administration of the Network Code.

In conclusion we do not believe that the proposed clarification to the UNC GT section A provisions for dispute resolution provide any benefit to parties wishing to raise a 'dispute'. We consider that the prevailing arrangements are unambiguous and clearly state that, subject to agreement by affected parties (agreement of both parties unless otherwise expressed in the relevant section of Code or Ancillary Agreement), a 'dispute' may be raised in respect of any section of Code, or Code related documents, whether or not an associated invoice query under section S has been raised.

Please let me know if you require any further information to enable preparation of the Final Modification Report.

Yours sincerely

Claire Thorneywork