

John Bradley
Modification Panel Secretary
Joint Office of Gas Transporters
31 Homer Road
Solihull
B91 3LT

Wales & West House
Spooner Close
Celtic Springs
Coedkernew
Newport NP10 8FZ
T. 029 2027 8500
F. 0870 1450076
www.wwutilities.co.uk

Tŷ Wales & West
Spooner Close
Celtic Springs
Coedcernyw
Casnewydd NP10 8FZ

8th December 2008

**Re: UNC Modification Proposal 0233 “Changes to Outstanding Energy Balancing
Indebtedness Calculation”**

Dear John

Thank you for the opportunity to comment upon this Modification Proposal, I can confirm that we, WWU, are fully **supportive** of its implementation.

This Modification Proposal has been raised following a review, carried out by the Energy Balancing Committee (EBCC), of the Energy Balancing Credit Rules and Section X (“*Energy Balancing Credit Management*”) of the Uniform Network Code (UNC) Transportation Principal Document (TPD).

This review was undertaken, due to the recent uncertainty in the financial markets, as a proactive measure to ensure that energy balancing and credit arrangements are suitably robust and fit for purpose. We are fully supportive of such measures and recognise that this Proposal has the unanimous support of both the EBCC and the Transmission Workstream where this, and Modification Proposal 0234* and Modification Proposal 0235**, were developed and discussed.

The Proposal seeks to make changes to UNC TPD Section X2.5.1 and X2.7.1. These changes will allow Users to submit more up to date information to be used within the calculation of their Anticipated Balancing Indebtedness (ABI) and allow National Grid NTS to recalculate the ABI if provided with such information by the User or if they have such information available within its system.

These amendments will allow a more accurate RBI to be calculated for a User which will be of benefit to both the User, in preventing unnecessary Cash Call notices, and to industry, by more accurately measuring the liability faced if the User was to be terminated.

*Modification Proposal 0234 – “*To Correct Drafting Inconsistencies between Sections X and V of the UNC in Respect of User Default and Termination*” raised on 31st October 2008

** Modification Proposal 0235 – “*Recovery of Debt and Smearing of Revenues via Energy Balancing Neutrality*” raised on 31st October 2008

24 hour gas escape number
Rhif 24 awr os bydd nwy yn gollwng

0800 111 999*

*calls will be recorded and may be monitored
caiff galwadau eu recordio a gellir eu monitro



We therefore **fully support** the implementation of Modification Proposal 0233.

If you have any questions in relation to this Representation then please do not hesitate to contact me.

Yours sincerely

Simon Trivella
Commercial Manager
Wales & West Utilities