

28/01/2009

Dear Colleague,

**NOTICE OF IMPLEMENTATION
MODIFICATION PROPOSAL No: 0234**

“To Correct Drafting Inconsistencies between Sections X and V of the UNC in Respect of User Default and Termination”

Please note that Modification Proposal No 0234 will be implemented with effect from 06:00 hours on 29/01/2009. The Final Modification Report, Version 2.0, was signed by Ofgem on 27/01/2009.

The new Code text resulting from this Modification follows:

Modified Text:

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

Amend paragraph 4.3.1(f) to read as follows:

“(f) where the Shippers Licence ...GT Section B6.1- : or”

Add new paragraph 4.3.1(g) to read as follows:

“(g) an event which entitles National Grid NTS to give a Termination Notice pursuant to paragraph X 2.9.3, X2.10.10 or X3.2.2.”

Amend paragraph 4.3.11 to read as follows:

“4.3.11 Where National Grid NTS gives a User a Termination Notice pursuant to this paragraph 4 or Section X:

- (a) each Transporter shall be deemed to have given a Termination Notice to the Defaulting User to the effect that the User shall cease to be a User of its System(s) with effect from the same date specified in the notice given by National Grid NTS (~~or if given pursuant to Section X, on the Day following the date of National Grid NTS's Termination Notice~~);
- (b) the User shall cease to be a User of its System(s) with effect from the date specified in the notice given to the User by National Grid NTS (~~or if given pursuant to Section X, on the Day following the date of National Grid NTS's Termination Notice~~); and

(c) paragraphs 4.3.7 and 4.3.8 shall apply.”

SECTION X – ENERGY BALANCING CREDIT MANAGEMENT

Amend paragraph 2.9.3 to read as follows:

“2.9.3 Where National Grid NTS has given notice to a User under paragraph 2.9.1 and the User has not paid the amount referred to in the notice in full after one Business Day following the date of such notice, National Grid NTS shall be entitled to and after such Business Day subject to paragraph 2.9.7 may give Termination Notice (for the purposes of Section V4.3.3) to the User to the effect that the User shall cease to be a User with effect from the Day following the date of the Termination Notice date (which may be any date on or after the date on which the notice is given) specified in the notice.”

Amend paragraph 2.10.10 to read as follows:

“2.10.10 Subject to paragraph 2.10.12, where the User has not provided the further, additional or revised Security in accordance with the Further Security Request by 12:00 hours on the Business Day following the date the Failure to Supply Further Security Notice was submitted and irrespective of the User's Outstanding Relevant Code Indebtedness as at any Day after the submission of the Further Security Request, National Grid NTS shall be entitled to, and as soon as reasonably practicable thereafter may, give Termination Notice to the User (for the purposes of Section V4.3.3 to the effect that the User shall cease to be a User with effect from the Day following the date of the Termination Notice date (which may be any date on or after the date on which the notice is given) specified in the notice and National Grid NTS shall send a copy of any notice given under this paragraph 2.10.10 to the Authority.”

Amend paragraph 3.2.2 to read as follows:

“3.2.2 Where National Grid NTS has given notice to a User under paragraph 3.2.1 and the User has not paid the outstanding amount of the Net Invoice Amount in full by the Business Day following the date of such notice, National Grid NTS shall be entitled to and, subject to paragraph 3.2.5, as soon as reasonably practicable after such Business Day may, give Termination Notice (for the purposes of Section V4.3.3) to the User to the effect that the User shall cease to be a User with effect from the Day following the date of the Termination Notice date (which may be any date on or after the date on which the notice is given) specified in the notice.”

Yours sincerely,

John Bradley
Modification Panel Secretary