

Workgroup Terms of Reference

0375 – To provide Users with a choice as to how their Unsecured Credit Limit is determined in line with UNC TPD Section V3.1.7

Workgroup Report to Panel Meeting: 21 July 2011

Date referred from Panel: 21 April 2011

Background – Why Change?

Please refer to Modification 0375 at: www.gasgovernance.co.uk/0375.

Solution

This Modification proposes removing the ability for Transporters to use the lowest value resulting from the two methods of calculation described (either based on the value calculated by applying an Independent Assessment Score to a Transporters' Maximum Unsecured Credit Limit in line with the table contained in UNC TPD V 3.1.7 and the Unsecured Credit Limit that would result from the Transporter using the credit value recommended within an Independent Assessment). Instead, a User would be able to choose which of the two values each Transporter would use to set that User's Unsecured Credit Limit following its assessment under the process laid out in UNC TPD Section V 3.1.7.

Topics for Discussion

- Understanding the objective
- Assessment of alternative means to achieve objective
- Assessment of potential impacts of the modification
- Assessment of implementation costs
- Assessment of legal text
- Development of Solution (including business rules if appropriate)
- Assess the materiality of the modification
- Identify any potential differences in the values of the assessments
- Ascertain how the table would be modified and operated in practice

Outputs

Produce a Workgroup Report for submission to the Modification Panel, containing the assessment and recommendations of the Workgroup.

Composition of Workgroup

The Workgroup is open to any party that wishes to attend or participate.

A Workgroup meeting will be quorate provided at least two Transporter and two User representatives are present.

Meeting Arrangements

Meetings will be administered by the Joint Office and conducted in accordance with the Code Administration Code of Practice