

Les Jenkins
Joint Office of Gas Transporters
31 Homer Road
Solihull
West Midlands
B91 3LT

17th November 2015

Dear Les

Re: UNC Modification Proposal 0560 – Addressing under-allocation of flows from BBL arising from misalignment of reference conditions

Thank you for your invitation seeking initial representations with regards to UNC Modification Proposal 0560. This response is submitted on behalf of the Energy Balancing Credit Committee (“EBCC”).

Members of the EBCC would highlight the fact whilst the proposal acknowledges the impact on charges billed and makes provision for adjustment of such, Users exposures are reported at an earlier date than charges are levied and the current calculation as outlined under section X2.5 will only account for any adjustment to charges at such time as the adjustment is recorded as Outstanding Relevant Balancing Indebtedness in accordance with X2.5(d)iii. This has the potential to either over or under state a Users Indebtedness which may result in action either being taken inappropriately because the Users position is overstated or action not being taken because a Users indebtedness is being under recorded in effect having the potential to create an avoidable financial exposure.

The EBCC would however, confirm that following review of the credit positions of the organisations currently active at BBL that it does not believe that the values indicated present a material risk in exposure terms.

Yours sincerely

Mark Cockayne
Energy Settlements & Credit Manager
Xoserve Ltd (on behalf of the EBCC)