

UNC Consultation Response – Respondent Name : [Transco]

UNC Document

Section	Section Reference	Response
Introduction		
TPD Section A – System Classification		
TDP Section B – System Use and Capacity		
TPD Section C – Nominations		
TPD Section D – Operational Balancing..		
TPD Section E – Daily Quantities...		
TPD Section F – Balancing Charges etc		
TPD Section G – Supply Points		
TPD Section H – Demand Estimation..		
TPD Section I – Entry Requirements		
TPD Section J – Exit Requirements		
TPD Section K – Operating Margins		
TPD Section L – Maintenance etc...		
TPD Section M – Supply Point Metering		
TPD Section N – Shrinkage		
TPD Section O – System Planning		
TPD Section Q – Emergencies		
TPD Section R – Storage		
TPD Section S – Invoicing & Payment		
TPD Section U – UK Link		
TPD Section V – General		

TPD Section X – EB Credit Management		
TPD Section Z – LNG		
OAD Section A – Scope & Classification		
OAD Section B – Connection Facilities		
OAD Section C – Safety & Emergency		
OAD Section D – Measurements		
OAD Section E – Telemetry etc		
OAD Section F – Determination of CV		
OAD Section G – Maintenance		
OAD Section H – Long Term Planning		
OAD Section I – Operational Flows		
OAD Section J – LDZ/LDZ Offtakes		
OAD Section K – LDZ System Entry Points		
OAD Section L – Cost Recovery..		
OAD Section M – Information Flows		
OAD Section N – General		
Modification Rules (Former Section Y)		
Transition Document		
General Terms Section A – Dispute Resolution (formally Section T)		
General Terms Section B – General (parts of original Section V)		
General Terms Section C – Interpretation (formally Section W)		

Associate Documents

Section	Section Reference	Response
Agency Services Agreement (ASA)	8.5	We believe that the Network Operator should have the right to withhold any disputed amounts from invoices rather than having the obligation to pay the invoice in full. In the alternative, if we do have to pay the full amount of an invoice despite being in dispute, the Agency should pay interest on any sums returned to the Network Operator if the dispute was upheld.
	17.1(a)	Our DN company would require the ability to disclose information wider than just its staff ie to its contractors, agents and affiliates.
	23.3	We do not know what the Termination Payments could include or how much they are likely to be. The drafting should allow for the possibility of payments going in both directions in case there is any reimbursement of charges or costs due to the Network Operator.
	Schedule 8 – 11.2	We do not see why this is necessary. If the Agency is calculating the interest on an invoice, it should find out the relevant interest rate itself rather than have each Network Operator sending through the information. An additional service line might be required to cater for this?
	8.9	We note that the late payment interest rate is higher than we have seen in the other documents. We would prefer a rate of say 2% above the base rate of [named bank]. We also believe that the £500 payment is arbitrary and should be linked to actual costs of administration.
	10.4	We assume that the Agency would carry out a handover of at least a week where there is a change of personnel in Key Positions in any event – we would therefore suggest the deletion of the words “if requested by any Network Operator”.
	15.3	The licence provided under this clause should be royalty-free.
	26.4	The dispute procedure is not consistent with the procedure in the JGAA. The dispute between Network Operators should go from the Contract Managers to the JO Committee and then to directors for resolution otherwise it is going to directors, then to the committee and then back to the directors (under the JGAA terms).
	Schedule 2 -	Please check for references to Section S4.8 (eg in 1A25 and 28) as it does not appear to exist.
	Schedule 2 – 1F.6	Should the section reference be H1.8.1(d) and not (iv)?
	Schedule 2 – 1F.9	Please check the output date of 15 th August – should it be 14 th ?
	Schedule 6 4.9 and 4.11	Reference to Standards of Service liability and Standards of liability should be “UNC Liabilities”
	Schedule 8 – 4.3	Delete the words “85%” and replace with “the levels set out in”
Schedule 8 - 11.1	This clause needs to be clear that it is shipper payment history that is being provided.	

Joint Governance Agreement (JGA)	6.2.4	We do not believe it is necessary for the Representative to be an employee of a Party and may not fit well with the structure of our DN companies. Provided that the person is suitably senior and appointed to represent the Party it should not matter whether they are an employee, contractor, agent or secondee of that Party. We would suggest that 6.2.4(a) is deleted and 6.2.4(b) and (c) either remain as drafted or (preferably) accommodated within 6.2.3.
	6.5.4	We believe that this clause could allow both of Transco's representatives to call a meeting and make decisions without the other Transporters being present. We would therefore suggest that the clause is either redrafted so that if there are only 2 representatives one of them must not be a Transco appointed representative, or (as a preference) that the quorum number is 3 (which also gives a simple majority).
	9	We believe that the allocation of the costs and expenses should be open to review by the parties on an annual basis and separate to the amendment requirements in 13.1.
	11.2.1(a)	As drafted this clause does not give the transporter wide enough rights to disclose information to its affiliates, contractors or shareholders. It may need to make such disclosures on issues such as the amount and allocation of costs, which will need approval from its parent company or its shareholders. This change needs to be reviewed in light of any changes to the definition of Confidential Information.
	Schedule 5 – 2.1.2(a)	We are uncomfortable with allowing one party to enter into contracts on behalf of all of the parties without approval from the committee. The committee in giving its approval can then set any conditions on the scope or de-minimis level of value that a party can commit to.
	Schedule 11 – C1(a)	We do not believe that it is necessary for the secondee to be an employee of the Party provided that s/he is suitable and duly authorised by the party to act as a secondee. Such person could be an employee, agent or contractor.
	Schedule 11 – C1(b)	We would suggest that this clause is removed or made more specific so that the secondee may not take employment that is in conflict with its duties as a secondee.
	Schedule 11 D1(b)	This should be redrafted to make it clear that the Party should ensure that its secondee is able to perform all of the functions required of it as a secondee. As currently drafted it could be interpreted that the employing party could ask its secondee to do something which is in breach of the contract of employment if it were required under the JGAA.
	1.1.1	Definition of Confidential Information should be narrowed so that it relates to information obtained which relates to another party and not all information obtained under the agreement.
	1.1.1	Definition of "loss" includes consequential and indirect losses. Whilst this works in Clause 14.1 – it does not work in clause 10.1.5, because as drafted it would make a party liable for such wide losses. We would suggest that "loss" becomes "Loss" and is used as such in 14.1 but left as an undefined loss in 10.1.5.
	4.1.1	We do not believe that it is necessary to have the UNC attached to this agreement in the agreed form. Delete "[agreed form of the]"
	4.1.2	Include references to SSC A12 and widen clause to back off the transporters' obligations to publish the UNC on the website and make it available and provide a summary.
	6.2.2	sentence should read "reappoint its Representative" not "a" Representative to ensure that a Party cannot remove another Party's representative.
	6.5.5(a)	We believe that this clause needs some simply redrafting to ensure that it is clear that once one representative refers a disputed matter to a director, all of the representatives must do the same, otherwise there cannot be a unanimous decision of all of the directors under sub-clause (b).
	8.1.2(a)(ii)	We would suggest that it is clear that "secure" facilities includes access controlled or separate offices.
	9.3.2	For clarity this clause should start "subject to Clause 9.41"
10.1.5	This clause should include provision for a party not to "knowingly" permit any infringement. The reference to intellectual property rights should capitalised.	
11.1.1 and 11.2.1	If our suggested changes are made to the definition of confidential information, the party wishing to disclose the information should only need to seek consent from "the other party" (ie the party whose information it relates to) and not from each party.	

	14.1	This clause should be “subject to 14.1” and the word “losses” should be “Losses” (see our comments on 1.11. above).
	Schedule 6 – B1	Delete the references to Special Standard Conditions A4 and A5 so that the clause is wide enough to catch other obligations under the Transporter’s licence.
	Schedule 6 – B2(a) and (b)	We believe that these clauses should be reviewed and redrafted to make it clear that the process described is to facilitate the co-ordination and administration of the change in the parties’ charging methodologies only.
	Schedule 6 – B(e)	We do not believe that it is necessary to prescribe the frequency of the meetings – we would prefer that they are held upon request of the representatives to allow for greater flexibility.
	Schedule 11 – E1(d)	We do not believe that the financial status of the secondee is relevant to its ability to perform its obligations.
	Schedule 11 – E2	120 days notice is too long as the secondee could be on a shorter notice period under its contract of employment. The timescale should be not longer than 90 days and shorter if the employer can provide a replacement.
Incremental Exit Capacity Release (IExCR) Statement		