

APPENDIX E POSTALISATION CREDIT PROCEDURES TIMETABLE (for transportation tariffs)

Date	Event	Debt procedures	Standard System (PSA/trustee) procedures	Comment
1st Feb	M2 - start of month two	Month two		
mid Feb	M2+ 10 business days	Invoice Day Invoices issued	TOs to copy invoices to PSA	
1st Mar	M3 - start of month three			
mid March	M3 + 10 business days	First Due Date		There will be approximately a month allowed for payment
	M3 + 11 business days	Non-payment notification	After the due date, the Trustee will notify PSA (copied to TOs) of received payments. Notification of non-payment	
third week March	M3 + 15 business days		PSA to have instructed the Trustee to distribute calculated amounts amongst transporters	
	M3 + 15 business days	Primary TO to have sent reminder to defaulting shipper. Non payment attracts a daily interest charge. Resubmitted invoice to include daily interest charge. The transporter will have a week to make contact with the shipper and to establish reasons for non-payment		The defaulting supplier will be charged interest of LIBOR plus 3% on the non-payment after the first due date.
	M3+ between 15 and 25 business days	Primary TO to call credit committee - Ongoing responsibility of TO is to take instructions from the Credit Committee		
1st April	M4 - start of month four			
second week April	M3 + 25 business days	Second Due Date	If non-payment remains, TO has the right to terminate. What is the default position if nothing comes from CC - must the TO terminate?	The trustee will notify PSA/TOs of any late payments between the first and second due dates
	M4 + 5 business days	Primary TO inform to notify PSA and gas suppliers of any remaining non-payment		These three dates are close together. Depending upon the number of business days in month three, the TO notifying everyone of the non-payment may be before the second due date. In the event that the defaulting supplier pays on the second due date which is after the date the TOs states the notified debt when the that payment will be factored into the PSA calculation of the debt charge as a recovered payment. The PSA calculation date will always be on or after the second due date
	M4 + 8 business days	PSA to calculate debt charge for the non-payment and inform Tos to be included into the M3 invoice	Debt charge to include interest (libor +0.75%) for one month - and will be capped at 10% of the supplier's payments invoiced in the for the month preceding - in this case March invoices	
mid April	M4 + 10 business days	Invoice date for M3 gas/capacity plus M1 debt charge		
1st May	M5 - start of month five			
Mid May	M5 + 10 business days	first due date for M3 invoices	Payment of M3 invoice and debt charge for M1 non-payment	