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Julian Majdanski  
UNC Modification Panel Secretary  
Joint Office of Gas Transporters  
Ground Floor Red  
51 Homer Road  
Solihull  
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Dear Julian

### **Modification Proposal 0076**

Thank you for providing Scottish and Southern Energy plc (SSE) with the opportunity to comment on the above modification proposal.

SSE is supportive of the proposal.

SSE believes the proposal is consistent with Ofgem conclusions document - Best Practice Guidelines for Gas and Electricity Network Operator Credit Cover. In the document Ofgem suggested two improvements:

1. improved efficiency in relation to payment terms
2. Network Operators should have the right of set off under codes.

We understand the right of set off would be applied where the Transporter and User have agreed this in writing. The exception is where the User is in breach of payment terms. In such cases the Transporter would not require the User's agreement. However the Transporter would be required to issue a set off notice. We believe this should provide the User with adequate notice.

SSE believes the proposal will further the relevant objectives improving efficiency in terms of implementation of the code and improving operational efficiency through reducing amounts outstanding, the number of invoices to be issued and banking charges.

Yours sincerely

Jeff Chandler  
Energy Strategy