



2 Leasons Hill
Orpington
Kent
BR5 2TN

Modification Panel Secretary
Joint Office of Gas Transporters
Ground Floor Red
51 Homer Road
Solihull
West Midlands
B91 3QJ

02 May 2007

Dear Julian,

SGN Response to Mod 0134: Publication of Nodal NTS Demand Forecast.

Thank you for providing SGN with the opportunity to comment on the above modification proposal. SGN support this proposal.

SGN agree with the principals of this Modification Proposal. Restricting the demand forecast for each individual offtake point from 10 years to 3 years, should help avoid revealing commercial positions and as such not discourage participants from continuing to provide information and should not result in deterioration of such information. It could also be argued that the first 3 years data is also more likely to be accurate and therefore relevant, especially for Shippers who may find it more difficult to forecast 10 years ahead.

In terms of the relevant objectives, we agree with the comments made by the proposer. Implementation of this proposal should improve transparency and accuracy of the capacity charge setting process and allow Users to better understand and predict changes in charges and the level charges, thereby promoting economic and efficient utilisation and operation of the system. It should also help promote competition between Shippers and Suppliers.

Whilst this proposal could be viewed as a facilitating proposal, to amend existing UNC provisions and remove restrictions in respect of granularity of information and time period for which such data should be released, we note that no information has been provided in relation to how and when details will be provided to Users and no update has been given on implementation timescales. We note that no implications have been identified in respect of impact on Systems or development and operating costs. However we would welcome further clarification on these points. It may be helpful to include this for future Workstream discussion.

We hope you find these comments helpful.

Yours sincerely

Bali Dohel
Network Officer
Scotia Gas Networks
DirectTel: 01689 886780
Direct Fax: 01689 880706
Email: bali.dohel@scotiagasnetworks.co.uk