



07 February 1997

Julian Majdanski  
BG TransCo

By Fax

97/02/10/02  
Direct Dial : 0171-932-1669  
Our Ref  
:Net/Cod/Mods/39  
Your Ref :

Dear Julian

**Modification Proposal 0039: EUC challenges**

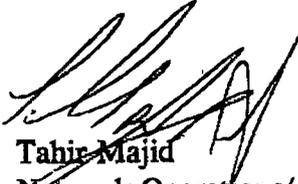
I am belatedly replying to your facsimile to Sean O'Hara-Ofgas on 4 October '96 "Seeking a View" on modification 39. This modification proposal was not likely to reach a unanimous view at the Modification Panel to proceed or otherwise to the Development phase.

Since receiving the above request for a view, I have been in regular contact with both David Young of National Power and members of Brynn Tootell's team in TransCo to try to reach an understanding of the scope of the problems, if any, and the necessary solution. To date I have seen little progress made in this respect though the TransCo team continues to work away at a way forward.

There is anecdotal evidence that there is a problem. However, I am not aware of what that is let alone the solution. I do not feel that it is appropriate at this time to proceed with modification proposal 39. Rather, I believe that there is merit in proceeding with a review group to look at whether and if so how erroneous EUCs are arrived at, their likely frequency and materiality. Further, where possible to recommend changes or improvements to either limit this or recommend a suitable appeal mechanism if appropriate. I therefore request that TransCo bring forward a review proposal for the next modification panel to consider.

I understand that work is continuing between TransCo and National Power and hopefully the outcome of those investigations can be fed into any review group.

Yours sincerely



Tahie Majid  
Network Operations/  
Regulation & Business Affairs

c.c. David Young - National Power