GAS FORUM

RESPONSE TO MODs 0712/3/4 & 5

Richard Court, Commercial Frameworks Manager, NT&T

Dear Richard, 22th October 2004

Draft Modification Reports: a) 0712 "Additional Information in Modification Proposals and Modification Reports", b) 0713 "Ability for Users to Vary their Modification Proposals", c) 0714 "Use of Principles of Governance in Applying Section Y of Network Code" and, d) 0715 "Modification Panel Approval of the treatment of Representations in Final Modification Reports"

I write on behalf of the Gas Forum in response to the above named Draft Modification Reports.

The Gas Forum is keen to see improvements to the formal Network Code governance regime implemented and therefore sponsored work to identify those areas in which shippers generally wished to see changes made over the short term. This work established the foundation for the present Modification Proposals as well as for Modification Proposal 0716 "Revision of the Modification Rules".

As these proposals would improve the governance regime by introducing greater transparency and equality the Forum supports their implementation without delay.

The Forum is pleased to note that Transco supports the intent of each of the proposals yet it is disappoing that, despite this support, Transco does not at this stage find itself able to recommend implementation. Each of the Proposals is designed to make the regime more robust and unbiased and as such should be noncontentious. Also, since the Forum had already spent some time establishing the views of shippers Transco could reasonably anticipate that the proposals were unlikely to draw adverse representations from Users.

By failing to be wholehearted in it's support Transco could be seen as introducing unnecessary delays and obstacles which impression the Forum trusts Transco will dispel in its Final Modification Report by seeking the earliest possible implementation.

Yours sincerely,

Angela Love, Chairman