

Centrica Energy

Millstream East Maidenhead Road Windsor Berkshire SL4 5GD

Tel. (01753) 431242 Fax (01753) 431150 Our Ref. Your Ref.

30 January 2006

Mr J. Majdanski Secretary, Modification Panel Joint Office National Grid Gas

Dear Julian RE UNC Modification Proposals:-

0053 – Extending established Uniform Network Code governance arrangements to include the Network Code Operations Reporting Manual referenced in Section V9.4 0056 – Extending established Uniform Network Code governance arrangements to include the Code Credit Rules referenced in section V3.1.2 0059 – Extending Established Uniform Network Code governance arrangements to include the Network Code Validation Rules document referenced in Section M1.5.3 0063 – Extending established Uniform Network Code governance arrangements to include the GRE Invoice Query Incentive Scheme Methodology document referenced in Section S4.6 0064 – Extending established Uniform Network Code governance arrangements to include the CSEP Ancillary Agreement document referenced in Section J 5.9

Thank you for the opportunity to comment on these Modification Proposals.

Although there are five separate Modification Proposals under consideration, addressing quite different processes, the principles of each modification are common. Therefore, we have submitted a single response, which is supportive of these principles and therefore the implementation of all five of these Modification Proposals.

British Gas Trading has been actively engaged in a programme of work that has sought to improve the governance of a series of procedural documents that define arrangements between signatories to the Uniform Network Code. Although such documents are regarded as ancillary to the Uniform Network Code they currently do not fall within the governance arrangements of the UNC. We are the proposer of one of these Modifications.

Arising from the review of such documents under Network Code Modification Proposal 0730, a number of Code parties identified that these documents were not always evident to all players, were not open to parties other than the Transporter to propose revisions and the processes defined were not transparent. The conclusion of the majority of participants in this review was that it would be beneficial to bring these documents within a common

Page 1

A centrica business

British Gas Trading Limited Registered in England No.3078711. Registered Office: Millstream, Maidenhead Road, Windsor, Berkshire SL4 5GD www.gas.co.uk

form of governance more accessible to the wider industry. This would be best achieved by bringing this within the governance arrangements of the Uniform Network Code.

We believe that the implementation of these Modification Proposals would further relevant objectives defined within SSC A11 of the gas Transporters licence sections:-

(d) the securing of effective competition between Shippers and Suppliers and

(f) the promotion of efficiency in the implementation and administration of the Uniform Network Code

by improving the visibility and transparency of these processes and by affording access by users to the process by which beneficial changes may be introduced.

Please contact me if you require any further information.

Yours sincerely,

Mike Young Commercial Manager

> A Centrica business British Gas Trading Limited Registered in England No.3078711. Registered Office: Millstream, Maidenhead Road, Windsor, Berkshire SL4 5GD www.gas.co.uk

Page 2