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22<sup>nd</sup> November 2005

Dear Julian,

**Modification Proposal 0067 “Compensation payments to Users whose gas flows are curtailed into the system following instructions received from the NEC”**

Thank you for the opportunity to comment on this modification proposal. Statoil (UK) Ltd (STUK) is in support of this modification and would like to make the following comments.

This modification proposal will provide Users, who have purchased storage services, with the opportunity to seek compensation when the rights to use these services are removed under an emergency. Without this change it could be expected that the current regime may incentivise Users to empty storage quicker than necessary to avoid the cost of stranding gas in store should and emergency be declared. The outcome of this could be to increase the likelihood of an emergency occurring.

The modification proposal should further relevant objectives A11 (a) and (d) by providing some incentives on Users to keep gas in store and by enabling Users with storage services to compete effectively with other Users in giving them an opportunity to gain compensation for being unable to utilise that storage capacity when an emergency is declared.

STUK trust that our comments will be given due consideration and should you wish to discuss any aspect of this response further please contact me on the above number.

Yours sincerely

Robert Cross  
Regulatory Affairs Manager



ISO 14001 Certificate 156



ISO 9002 Certificate No. 34477