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Your Reference 0091

Re: Modification Proposal 0091: Extending Uniform Network Code to allow Users to raise Class 3 UK Link Modification Proposals.

Dear Julian,

Thank you for your invitation seeking representations with respect to the above Modification Proposal.

National Grid (UK Distribution) (UKD) offers qualified support for implementation of this Proposal which facilitates Users raising Class 3 modification proposals. It is our view is that implementation of this Modification Proposal would better facilitate the Relevant Objective specified in Standard Special Condition A11.1 (f), "the promotion of efficiency in the implementation and administration of the network code and/or the uniform network code". UKD agrees with the Proposer's view that currently there is no incentive for Users to agree a cost sharing mechanism when they have to rely on a Transporter to raise the UNC modification proposal for them.

UKD notes that this Modification Proposal does not consider whether there has to be an agreement regarding the nature of the cost recovery, in advance of a proposal being raised. It is possible that as part of this Proposal a proposal could be raised and direction to implement could be given with no agreement in place which addresses cost allocation. UKD believes that as a prerequisite to any Class 3 UK Link modification proposal the proposing party should liaise with the Transporters concerning the nature of the changes, the costs sharing mechanism and implementation timetable. The Panel would have to consider whether all of these issues have been resolved when making its decision about whether a proposal is sufficiently developed to proceed to consultation.

UKD notes that the Proposal as raised would allow Users to raise UNC modification proposals for all types of Class 3 changes. Although the Proposal focuses on User funded changes it does not specifically exclude Users from making other Class 3 changes (i.e. UNC 8.2.4 (b)). UKD believes that the Proposal was directed specifically at User funded changes and recommends that the legal text should be amended to provide this clarity.

Yours sincerely

Phil Lawton
Distribution Regulation Manager