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Dear Tim

RE: UNC Modification Proposal 103 Introduction of the right for the Energy Balancing Credit Committee to instruct National Grid NTS as to appropriate Recovery Steps in respect of Energy Balancing debt

Statoil (U.K.) Limited supports the implementation of Modification Proposal. This Proposal may reduce the level of risk, faced by Users, through requiring NGG NTS to seek instruction from the EBCC on the most appropriate recovery action to be taken in order to curtail the community's exposure, whilst recognising that this should not prevent or delay NTS in the recovery of NTS Transportation debt. We agree with the Proposer that the EBCC is best placed to issue such instruction.

Both UNC Modification Proposal 102 and 103 propose important revisions to the Code to ensure continued development of the EBCR, namely to "develop and maintain a Framework for limiting the risk of financial loss to the shipper community resulting from the operation of the Energy Balancing Regime".

Yours sincerely,

Christiane Sykes Regulatory Affairs Manager.



