

09 November 2006

Julian Majdanski
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Dear Julian

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Uniform Network Code Modification Proposal 0117 – Amendment to invoice billing period

Thank you for the opportunity to respond to the above modification proposal. Gaz de France ESS supports the implementation of modification proposal 0117.

Gaz de France ESS agrees with the proposers that implementation of these proposals would better facilitate special licence conditions A11.1a "economic and efficient operation of the pipeline system", implementation of this modification proposal; will incentivise Transporters to record accurate flows on the system. Also in a similar respect, condition A11.1b "the coordinated, efficient and economic operation of the combined pipeline system" is furthered with regard to accurately reflecting flows of gas at the NTS/Distribution Network boundary.

We also agree that this modification better furthers the relevant objective A11.1d "securing effective competition between suppliers" as having a defined cut-off period for invoicing error allows for a fairer allocation of costs between users, this is particularly true in respect of the smaller supply point market which is subject to RbD.

Gaz de France ESS are aware that an immediate resolution is required to correct the situation with regard to Farningham however we consider that a more comprehensive review of the arrangements for retrospective billing of energy and transportation charges is required.

I trust these comments are helpful, if you have any queries regarding this response please contact me on 0113 306 2104.

Yours sincerely

Phil Broom



Regulatory Affairs Analyst Gaz de France ESS