

Tim Davies
Joint Office of Gas Transporters
51 Homer Road
Solihull
B91 3LT

11th September 2007

Dear Tim

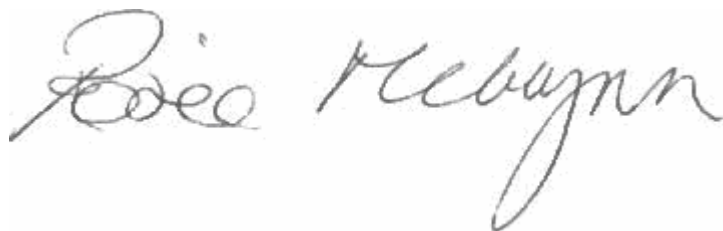
Response to UNC Modification Proposal 167: Changes to Reconciliation Arrangements under CSEP NeXA

EDF Energy is in support of this modification.

We agree with the proposer that this modification will resolve the historical backlog of unreconciled sites. This issue has been ongoing for a number of years and we welcome the commitment being demonstrated to resolve the issue going forward. It is essential that robust arrangements are implemented to facilitate accurate reconciliation in the future.

The implementation of this modification will enable reconciliation to be delivered more accurately and will remove the current cross subsidy currently occurring within RbD. The removal of this cross subsidy facilitates the relevant objective Standard Special Condition A11.1(d) in securing effective competition between relevant shippers, suppliers and DN operators.

Yours sincerely

A handwritten signature in black ink, appearing to read "Peter McBayn". The signature is written in a cursive style with a large, sweeping flourish at the end.

Rosie McGlynn
Retail Regulation Manager
Energy Regulation, Energy Branch