

National Grid House Warwick Technology Park Gallows Hill, Warwick CV34 6DA

Mr Julian Majdanski

Joint Office of Gas Transporters Ground Floor Red 51 Homer Rd Solihull B91 3QJ

17 August 2007

Claire Thorneywork

Gas Codes Development Commercial UK Transmission National Grid

01926 656383

claire.l.thorneywork@uk.ngrid.com

www.nationalgrid.com

<u>UNC Modification Proposal 0167 – "Changes to Reconciliation Arrangements under CSEP NExA"</u>

Dear Julian,

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

We believe that other Industry members are better placed to put forward views regarding the pros and cons of the Proposal, as such National Grid NTS considers that we are not best placed to respond on the issues this Proposal is seeking to address.

National Grid NTS would however like to take this opportunity to seek clarification regarding the specific types CSEP NExAs that this Modification Proposal is seeking to amend. Our interpretation of the Proposal is that it refers specifically to the Independent Gas Transporter (iGT) NDM Supply Meter Point CSEP NExAs, and therefore does not include DM NTS Meter CSEP NExAs or any other type of CSEP NExA.

We note that 'Part 5 of Annex A of the CSEP Network Exit Agreement (NExA)' exists only as part of the 'CSEP(s) Network Exit Agreement GT LDZ Connected System Exit Point' and therefore we believe that this confirms our interpretation of the Proposals intended scope. We would appreciate confirmation from the Proposer that this is the intent of the Proposal and that reference to the specific NExAs, affected by this Proposal, is clearly defined as part of its proposed legal text.

Please let me know if you require any further information to enable preparation of the Final Modification Report.

Yours sincerely

Claire Thorneywork