

NGT House Warwick Technology Park Gallows Hill, Warwick CV34 6DA

Mr John Bradley

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

11 December 2008

Adam Sims Gas Codes Development Transmission Commercial

01926 655292 adam.sims@uk.ngrid.com

www.nationalgrid.com

<u>UNC Modification Proposal 0236 –</u> <u>"Amendment to PX (TGPP) Limited Network Entry Agreement"</u>

Dear John,

Thank you for your invitation seeking representation with respect to the above Modification Proposal. National Grid NTS **supports** the implementation of this proposal on the basis that it better facilitates the relevant objectives.

Standard Special Condition A11.1 (d): the securing of effective competition:

- (i) between relevant shippers;
- (ii) between relevant suppliers; and/or
- (iii)between DN operators (who have entered into transportation arrangements with other relevant gas transporters) and relevant shippers;

National Grid NTS agrees with the proposer that in enabling the economic and efficient delivery of new gas supplies at Teesside, implementation of this Proposal would be expected to facilitate the achievement of securing effective competition between relevant shippers and relevant suppliers

3 - The implications of implementing the Modification Proposal on security of supply, operation of the Total System and industry fragmentation

National Grid NTS agrees with the proposer that the implementation of this proposal will increase the availability of gas that can be input into the UK by allowing a wider range of gas to be imported, and will therefore increase security of supply.

- 4 The implications for Transporters and each Transporter of implementing the Modification Proposal, including:
- b) Development and capital cost and operating cost implications:

Analysis shows that whilst extending the allowable ranges may affect shrinkage levels due to the relative locations on the system of gas commingling points and DN offtakes, this risk is considered to be low as a result of the existing gas quality limits and historical behaviour of





nearby ASEPs. The proposal is therefore not anticipated to significantly affect the efficient and economic operation of the system.

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

Yours sincerely,

Adam Sims Commercial Analyst