

John Bradley Secretary, UNC Modification Panel Joint Office of Gas Transporters 31 Homer Road Solihull West Midlands B91 3LT E.ON UK plc Westwood Way Westwood Business Park Coventry West Midlands CV4 8LG eon-uk.com

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Monday, 12th January 2009

RE: UNC Modification Proposal 0240 - Promoting Competition in Operating Margins Provision

Dear John,

E.ON UK supports implementation of this Modification Proposal.

If this proposal is implemented, we would welcome the introduction of additional flexibility in the UNC, which may facilitate the participation of a wider range of providers of Operating Margins (OM) services, than currently. This may ultimately drive down the cost of OM procurement to the industry and provide a more flexible portfolio of OM services at National Grid's disposal.

For clarity, we agree with the proposer's assessment of this proposal in terms of the Relevant Objectives and have nothing further to add.

Yours sincerely

Richard Fairholme (by email) Trading Arrangements E.ON UK

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