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12<sup>th</sup> February, 2009.

Your Reference: Modification Proposal 0241.

**Re: Modification Proposal 0241: 'Delaying the implementation of the Ad-hoc application principle of the enduring offtake arrangements'**

Dear John,

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

National Grid Gas plc (Distribution) (NGD) would like to offer support for this proposal.

Applications for Users to apply for enduring NTS Exit Capacity (effective from Oct 2012) are due to commence on 1<sup>st</sup> April 2009 under the existing arrangements. The Exit Capacity Release Methodology Statement (ExCR) has yet to be approved (the consultation and approval process is currently underway with completion of this part of the process expected in April 2009) and initial holdings will not be released until May 2009.

NTS is proposing to delay, the implementation of the window for Ad-hoc applications, for Users to obtain enduring Annual NTS Exit Flat Capacity, from 1<sup>st</sup> April 2009 to 1<sup>st</sup> October 2009. This is intended to be rescheduled on an enduring basis. This will avoid having Users apply prior to the approval of the ExCR and prior to initial User holdings being released. The annual application window in July will remain unchanged.

NGD agrees with the position put forward in the proposal which suggests that if Users were to apply without the release of the initial holding information it is possible that incorrect signals could be given. It also agrees that there is logic in the proposed sequence of events i.e. ExCR approval process, release of initial holding information, Annual Application window and Ad-hoc application window.

NGD agrees with the points put forward in the Draft Modification Report in relation to the better facilitation of the relevant objectives, specifically:- Standard Special Conditions A11.1 (a) the efficient and economic operation of the pipe-line system because it may help to avoid incorrect User commitment signals being given; and A11.1 (f), the promotion of efficiency in the implementation and administration of the ... uniform network code, because it would introduce a logical timetable of events and actions.

Please contact Alison Chamberlain on 01926 653994 ([alison.chamberlain@uk.ngrid.com](mailto:alison.chamberlain@uk.ngrid.com)) should you require any further information with respect to the above.

Yours sincerely

Richard Court  
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