## nationalgrid

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## <u>Re: UNC Modification Proposal 0241 – Delaying the implementation of the Ad-hoc application</u> principle of the enduring offtake arrangements

Dear John

Thank you for your invitation seeking representations with respect to the above Modification Proposal. As Proposer, National Grid NTS supports implementation of Modification Proposal 0241.

## Rationale

This proposal, if implemented, would delay Ad-hoc Applications from 01 April 09 to 01 October 09 and so avoid Ad-hoc applications being made prior to the ExCR being approved and also prior to initial User holdings being released.

Extent to which implementation of Modification Proposal 0241 would better facilitate the achievement (for the purposes of each Transporters' Licence) of the relevant objectives National Grid NTS considers this Proposal would, if implemented, better facilitate the following Relevant Objectives as set out in its Gas Transporters Licence:

- In respect of Standard Special Condition A11 (f), the promotion of efficiency in the implementation and administration of the network code and or the uniform code would be improved by the implementation of this Proposal. This is because this Proposal would avoid Applications being submitted prior to the ExCR (and the associated rules within it) being approved. The ExCR is a necessary part of the enduring exit arrangements and is referenced several times by the Uniform Network Code, in order to detail items such as, user commitment. Without the ExCR in place a full set of rules to allocate exit capacity would not exist.
- In respect of Standard Special Condition A11 (a), the efficient and economic operation of the pipeline system, this Proposal would avoid Applications being submitted prior to Users receiving notification of their Initial Enduring Annual NTS Exit (Flat) Capacity and therefore avoids the potential for inefficient or unnecessary user commitment signals being received.

If you have any questions, please do not hesitate to contact me

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