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Modification Panel Secretary Joint Office of Gas Transporters First Floor South 31 Homer Road Solihull West Midlands B91 3LT

11 March 2009

Dear John

Modification Proposal: 0243 Amendments to the process for initialisation of Enduring NTS Exit (Flat) Capacity at the Moffat NTS Exit Point

Thank you for providing Scotia Gas Networks (SGN) with the opportunity to respond to Modification Proposal 0243. SGN is generally supportive of the implementation of the above Modification Proposal.

The implementation of Modification 0195AV on 1 April 2009 will allow the initial enduring capacity allocations to be notified to each user by 1 May 2009. Modification Proposal 0243 aims to delay this process for the Moffat NTS Exit Point only, until at the latest 1 May 2011, in order that a mechanism similar to the existing capacity certification methodology is established and used in registering holdings of initial enduring capacity at Moffat.

We believe that the arrangements set out in this proposal represent a constructive way forward in the allocation of enduring capacity for all users at the Moffat NTS Exit point. In supporting this proposal SGN believes that the Modification will provide a mechanism to delay the initialisation of capacity at Moffat which does not provide a commercial advantage for any of the Moffat users. SGN support the proposal that, should the initialisation process not be completed by May 2011, the initial allocation of enduring capacity as set out in Modification 0195AV, would be used as the default process.

We do however have some concerns regarding the process used for the progression of this modification and we think this should be reviewed within the Governance Workstream.



We hope you find these comments useful.

Yours sincerely

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