

Tim Davis Joint Office of Gas Transporters 31 Homer Road Solihull West Midlands B91 3LT

26 June 2009

Dear Tim

Regarding UNC Modification Proposal: UNC 0254 "Facilitating the use of forecast data in the UNC".

Thank you for the opportunity to comment on the above proposals which seek to allow the use of forecast data in the UNC to calculate Seasonal Normal Weather data. As a user of the gas system Corona Energy has an interest in ensuring that gas allocations are as accurate as possible. For the avoidance of doubt Corona Energy (CE) supports modification 254.

The Demand Estimation Sub-Committee (DESC) has considered the use of Met Office and Hadley Centre data by the Gas Transporters (GTs) in their calculation of Seasonal Normal Weather (SNW), and believes that this data may improve accuracy. This proposal ensures that the UNC is allows the use of this data and covers all potential future outputs that could be used to produce a view of SNW.

CE notes that during the discussions various parties have expressed views on the relative accuracy of EP2 data versus the data currently used by the GTs. CE believes that it is the Gas Transporters responsibility to use the most accurate forecast data available provided it is economic an efficient to do so. There appears agreement amongst all parties that current UNC wording seems to restrict GTs ability to do this.

This modification removes the restriction on GTs in the calculation of SNW which could therefore improve the energy allocation process. Improving the energy allocation process would reduce the RbD and reconciliation risk faced by SSP and LSP Shippers. Enabling the GTs to improve the calculation of SNW would therefore benefit both the SSP and LSP market.

1 The Exchange, Brent Cross Gardens, London NW4 3RJ tel 020 8203 3666 fax 020 8203 3636 email mail@coronaenergy.co.uk www.coronaenergy.co.uk



I trust these comments are helpful. If you have any queries regarding this response please contact Richard Street on 0208 632 8169.

Yours,

Richard Street* Regulatory Affairs Manager Corona Energy

*please note as this letter has been delivered electronically a signature will not be attached

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