

Mr Bob Fletcher  
Secretary, Modification Panel  
Joint Office of Gas Transporters  
51 Homer Road  
Solihull  
B91 3LT

19<sup>th</sup> May 2011

Dear Bob

**RE: UNC Modification 0367 – “*Interruptible to Firm – Supply Point Transition*”**

1. British Gas supports Modification 0367 and recognises that its implementation will allow the Gas Transporters to remain compliant with the forthcoming Uniform Network Code (UNC) requirement for all Interruptible sites to be re-confirmed as Firm, without having to rely on Shippers taking the necessary action to complete this change.
2. Whilst we already have plans to arrange the re-confirmation of all the Interruptible sites on our portfolio we recognise there is a need for a backstop process to manage sites which Shippers fail to re-confirm in time for the 1<sup>st</sup> October 2011 deadline. To this end we agree with the Proposer that the Gas Transporter should be able to intervene and complete the process on Shippers behalf where no action by that Shipper is taken, so as to ensure that the Gas Transporters themselves are not left in breach of the UNC. We consider that this improves the efficiency in which the UNC operates and therefore believe that this Modification facilitates UNC Relevant Objective (f).
3. We are aware that some have argued that the backstop process envisioned may leave them exposed to some industry charges however we believe that such exposure is entirely in the Shipper’s ability to prevent, either through management of the industry held data on affected sites or by ensuring any affected sites are reconfirmed before the deadline. On this latter point, we welcome the assistance the Gas Transporters have provided for Shippers in understanding how best to smooth the transition and believe that this will have gone some way to mitigate any potential issues. Finally, we note that the risk faced by Shippers of incurring these charges is no more than they face during the normal change of supply process.

4. If you have any questions regarding this response, please do not hesitate to telephone me.

Yours sincerely

David Watson  
Regulatory Manager, British Gas