Our date 07.05.10

Our reference STUK response 0286/a Administrative officer Shelley Rouse



Statoil (UK) Ltd

Bob Fletcher Modification Panel Secretary Joint Office of Gas Transporters Ground Floor red, 31 Homer Road, Solihull West Midlands B91 3QJ

Dear Bob,

Modification Proposal 0286 and 0286a: Extending Modification Panel Voting Rights to Consumer Representatives

Thank you for the opportunity to comment on the above modification proposals. Statoil (UK) Ltd (STUK) is NOT in support of these proposals and as such would like to make the follow comments.

UNC modification proposal 0286 and its alternate 0286s were raised at a time when the outcome of the Ofgem Code Governance Review was unknown. Although it was widely recognised that the final proposals would contain a desire for Consumers to have a voting seat on modification panels, the full extent of this proposal was unclear.

On publication of the Final Proposals, Ofgems guidelines are clear and the implementation of neither 0286 or 0286a would fully achieve Ofgems aim, indeed the Final Proposals themselves make reference to this: 'each proposal will be considered on its own merits, though in the case of either being implemented a further code modification may still be required....'

There are also concerns that the potential issues surrounding the addition of a consumer voting seat of the panel (the balance of the Panel and the ability for a Competition Commission appeal) have yet to be fully explored.

STUK believe that this issue should be carefully considered and discussed as part of review group 0267 and a proposal that fully meets the requirements of the Code Governance Review Final Proposals developed.

If you have any questions relating to this response please contact me on the below number.

Kind regards

Shelley Rouse Statoil (UK) Ltd srouse@Statoil.com

Telefax