

St Lawrence House Station Approach Horley Surrey RH6 9HJ

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

07 May 2010

Dear John

Re: Modification Proposal 0288 Facilitating the Reduction of Enduring Annual NTS Exit (Flat) Capacity by a value less than 100,000 kWh.

Thank you for providing Scotia Gas Networks with the opportunity to comment on the above Modification Proposal. SGN supports implementation of Modification Proposal 0288.

This Modification Proposal has been raised by National Grid NTS to remove the Minimum Eligible Amount requirement for all Capacity reduction requests. This will enable any User with an Enduring Annual NTS Exit (Flat) Capacity quantity that is less than 100,000 kWh at an NTS Exit Point, to reduce their Enduring Annual NTS Exit (Flat) Capacity quantity, at that NTS Exit Point, in the reduction window or via an ad-hoc reduction request.

Extent to which implementation of the proposed modification would better facilitate the relevant objectives:

Standard Special Condition A11.1 (a): the efficient and economic operation of the pipeline System:

SGN consider implementation of this Modification Proposal to be a pragmatic approach in allowing Users to reduce their Enduring Annual NTS Exit (Flat) Capacity value to zero which would accurately reflect their actual Capacity requirements. This in turn would enable National Grid NTS to make available any unsold NTS Exit (Flat) Capacity to other Users at an NTS Exit Point.

Standard Special Condition A11.1 (d): so far as is consistent with sub-paragraphs (a) to (c) the securing of effective competition:

The option of reducing Enduring Annual NTS Exit (Flat) Capacity is currently only available to Users with values greater than 100,000 kWh, implementation of this Modification Proposal will ensure that all requests for a reduction in Initialised NTS Exit (Flat) Capacity will be treated in the same manner irrespective of the size of the initialised value.

We hope you find these comments helpful.

24 hour gas escape number 0800 111 999* *Calls will be recorded and may be monitored



Yours sincerely

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