

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 0290: To facilitate the release of Additional NTS Exit (Flat) Capacity at National Grid NTS's discretion.

Thank you for providing Scotia Gas Networks with the opportunity to comment on the above Modification Proposal. SGN supports implementation of Modification Proposal 0290.

This Modification Proposal aims to provide National Grid NTS a facility to enable the release of additional Annual NTS Exit (Flat) Capacity for use in Gas Year Y+1, Y+" or Y+3, where the aggregate quantity applied for is greater than the Remaining Available NTS Exit (Flat) Capacity.

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

SGN would agree with the Proposer that implementation of this Modification Proposal may increase gas demand and flows on the NTS with increased throughput meaning the system would be operated at a lower unit cost as such SGN believe implementation of this Modification Proposal would better facilitate relevant objective Standard Special Condition A11.1(a) the efficient and economic operation of the pipeline system.

The implications of implementing the Modification Proposal on security of supply, operation of the Total System and industry fragmentation

SGN agree with the Proposer that implementation of this Modification Proposal may enhance the operation of the Total System by allowing Users the opportunity to obtain additional Annual NTS Exit (Flat) Capacity.

We hope you find these comments helpful.

Yours sincerely

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



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