

Bob Fletcher
Secretary, UNC Modification Panel
Joint Office of Gas Transporters
31 Homer Road
Solihull
West Midlands
B91 3LT

11 February 2011

Dear Bob,

RE: UNC 0333 / 0333A - Update of the default System Marginal Buy Price and System Marginal Sell Price

E.ON supports implementation of Modification Proposal 0333A, but does not support Modification Proposal 0333, on the basis that 0333A proposes a more appropriate User Pays cost allocation between Shippers and Transporter.

Overall, we are unsure, given the small changes in values, what effect the changes will have on balancing behaviour, which should be the key measure of success (or failure) of these proposals. We also are unsure of the benefits of updating the values on an annual basis and in particular, the effects if there is sudden jumps in values between years.

If you wish to discuss this response in any more detail, please do not hesitate to contact me on T: 02476 181 421.

Yours sincerely

Richard Fairholme (by email)

Trading Arrangements E.ON UK

E.ON UK plc
Westwood Way
Westwood Business Park
Coventry
West Midlands
CV4 8LG
eon-uk.com

Richard Fairholme
Trading Arrangements
T: 02476 181421
richard.fairholme@eon-uk.com

E.ON UK plc
Registered in
England and Wales
No 2366970
Registered Office:
Westwood Way
Westwood Business Park
Coventry CV4 8LG