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Dear John

Modification Proposals 0262 - Treatment of Capacity affected by Force Majeure

Thank you for the opportunity to comment on the above modification proposal. BP supports the implementation of this proposal.

The proposal seeks to reimburse shippers who hold NTS Entry Capacity or NTS Exit Capacity at ASEPs and Exit Points where force majeure has been called. The rebate will be in proportion to the amount of capacity that is affected by the FM notification.

BP supports the efforts by National Grid to introduce a rebate process into the UNC thus enabling shippers to be compensated in some way for capacity that they hold but are unable to use through the issuing of an FM notice. This is an improvement on the current situation whereby National Grid is entitled to invoice for this "stranded" capacity regardless of the fact that the shipper can not use it.

BP agrees with the proposer that this modification would better facilitate the relevant objectives under Standard Special Condition A11.1 (a) and Standard Special Condition A11.1 (d) by introducing additional certainty into the UNC thus helping to achieve the efficient and economic operation of the pipe-line system and promoting greater fairness in the treatment of individual NTS Capacity holders in the event of Force Majeure.

If you wish to discuss further please don't hesitate to contact me on the number above.

Yours sincerely

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