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John Bradley UNC Modification Panel Secretary Joint Office of Gas Transporters Ground Floor Red 51 Homer Road Solihull B91 3QJ

> E:mail: Jeff.Chandler@ scottish-southern.co.uk

Our Reference: Your Reference:

Date : 12 April 2010

Dear John,

Modification Proposal 0289

Thank you for providing Scottish and Southern Energy plc (SSE) with the opportunity to comment on the above Modification Proposal.

SSE is supportive of proposal 0289.

National Grid NTS proposes that only NTS Exit (Flat) Capacity which can be made available for each day within the Gas Year, will be released as Annual NTS Exit (Flat) Capacity i.e. it will be the lowest quantity that is available at an NTS Exit Point at any point during the Gas Year. SSE understands that any NTS Exit (Flat) Capacity that does not meet the above criteria and has been excluded as annual capacity and remains unsold will be made available via the Daily Invitation process and may be obtained as Daily NTS Exit (Flat) Capacity.

SSE does not agree with the User Pays cost allocation of 50 % transporters & 50 % Shippers, charged as a single cost based on the proportional capacity holding as of October 2012. SSE believes that these changes result from Exit reform implementation and the costs should be incurred by the Transporter whom has been funded through the DN sales process.

SSE agrees with the Proposer that implementation of the proposed Modification would better facilitate the relevant objectives as detailed in the Modification Proposal.

Please do not hesitate to give me a call if you wish to discuss this further.

Yours sincerely

SSE

Jeff Chandler Head of Fuel Strategy Energy Strategy