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Your Reference Mod 0164

Re: Modification Proposal 0164: 'Bi-Directional Connection Point Overrun Charge Calculation'

Dear Julian,

Thank you for your invitation seeking representations with respect to the above Modification Proposal.

National Grid Gas plc (Distribution) ("NGD") is unable to offer support for implementation of this Modification Proposal.

The proposal seeks to change the existing overrun regime whereby each individual User's position is calculated with no reference to other Users at that Bi-directional meter. This proposal would allow net positions to be calculated User to User with only the net over run being charged. E.g. Currently if User A overruns on exit by 100 units and User B overruns on entry by 125 units then each User will get charged 100 and 125 respectively. If this Proposal raised by Centrica Storage is approved then the net flow overrun of 25 units would get charged to User B.

NGD does not feel that it is appropriate for one User to benefit from another User's activity in this way. A User at a 'normal' entry point is not able to benefit from another party's under run. For this reason NGD does not believe that this proposal better facilitates the Relevant Objectives, specifically SSC A11.1 (d).

The current arrangements do not prevent Users at bi-directional connection points from trading out their overrun positions before the Gas Day.

Yours sincerely

Phil Lawton
Distribution Regulation Manager