



SCOTTISHPOWER

Energy Wholesale

John Bradley
Modification Panel Secretary
Joint Office
31 Homer Road
Solihull
West Midlands B91 3LT

01 September 2009

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Dear John,

The following is the Scottish Power response to

Modification Proposal 0261 – Annual NTS Exit (Flat) Capacity Credit Arrangements

Thank you for the opportunity to respond to this modification proposal.

We support Modification 0261

We believe that this change will mean that users do not have the ability to defer payment for capacity they have effectively booked. This should lessen the potential exposure of other parties who are currently effectively subsidising the deferrer. Also, we believe that there will be no detrimental impact on early signalling for capacity in terms of a long-term commitment.

We believe that any consequences of this change to Exit arrangements, like all the changes, should be measured. Likewise we welcome the debate of further tightening the credit arrangements to ensure that community and hence customer exposure is minimised.

However, we believe that the implementation of this mod itself will further the relevant objectives as set out in Standard Special Condition A11 of the Gas Transporters Licence.

Should you have any queries on the views expressed, please contact me on the telephone number as shown.

Yours Sincerely,

Commercial & Regulation Manager (Gas)
Scottish Power Energy Wholesale

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