

Mr. John Bradley
UNC Panel Secretary
Joint Office of Gas Transporters
1st Floor South
31 Homer Road
Solihull
West Midlands
B91 3LT

24 September 2009

Dear John,

RE: Modification proposal 0266: Amendment to Gas Quality NTS Entry Specifications for the North Morecambe Terminal

Thank you for the opportunity to respond to this consultation. As proposer of this modification, British Gas Trading fully supports its implementation.

This proposal is similar in effect to numerous others that have preceded it in relation to other NTS entry points, in that it seeks to expand the wobble range within which gas can be delivered to the NTS under normal market conditions. The new range aligns with the limits contained within the Gas Safety (Management) Regulations. This proposal only affects deliveries from the North Morecambe terminal.

In line with our responses to other proposals of this nature, it is evident that the additional flexibility available to the terminal operator will *in extremis* allow not only greater volumes of gas to be delivered to the NTS, but will also facilitate an earlier return to production following an outage, when gas quality specifications can fluctuate as treatment processes are re-established.

With regard to the relevant objectives, as with other such changes to wobble limits, this proposal should serve to increase competition between relevant shippers by providing an additional source of gas supply to the market that would otherwise be excluded. This applies not only to the greater exploitation of existing fields, but there may also be scope for additional gas fields in the East Irish Sea to be landed through the North Morecambe Terminal facility in future. This proposal will also benefit GB security of supply – a particularly important point in the light of the increasing national dependence upon imported gas.

In respect of environmental considerations, we believe that adopting the wobble limit set out in this proposal could make additional gas available to the UK in a very tight supply situation, thereby potentially reducing the need for alternative and more polluting fuels e.g. distillate, to be used in place of natural gas.

Please contact me if you would like to discuss this response.

Yours sincerely,

Chris Wright
Commercial Manager