

Julian Majdanski
Joint Office of Gas Transporters
51 Homer Road
Solihull
West Midlands
B91 3JQ

Dear Julian

25th October 2005

We welcome the opportunity to comment on Modification proposal 0048, Preparation of Legal Text for Users Modification Proposals

Northern Gas Network does not support this proposal for the reasons set out below.

NGN believes that it fails to further the following relevant objective, A11.1 (f) in that the application of the proposal would impede the efficiency of the implementation and administration of the uniform network code.

The proposed structure of the proposal anticipates legal text provision subject to a 5:5 modification panel vote or actual majority determining that Shipper raised modification proposals should have legal text provided by the relevant transporter.

One primary concern NGN has with this proposal is the inevitable instruction chain that will be necessarily required between transporters lawyers, and the shippers proposer. Some recent modifications in the view of NGN would be incapable of legal text provision without significant liaison and dialogue with the proposer to establish the clear intent of some of the less well defined business rules in the proposal.

Such eventualities whilst not the norm, would add significant costs to the process. In such scenarios, a transporter would require a single point of contact to ensure consistency of instruction and approach. This scenario poses a serious concern as to what a transporter is required to do if it believes the proposal is insufficiently clear to be able to provide legal text.

Can the transporter recommend the proposal is returned to the relevant workstream? Can any proposal be issued with a note from the relevant transporter stating that in its view the proposal is insufficiently clear for a 3rd party to provide the required legal text? It is NGNs view that any legal text provided must be accepted by a proposer, albeit any concerns can of course be raised in any subsequently issued modification report with the accompanying legal text.

NGN believe the most efficient administration of the uniform network code would be best facilitated by utilising the existing processes whereby Ofgem instruct transporters to supply legal text, or more pertinently that shipper proposals deemed to benefit from legal text have such text provided by the proposer in the first instance.

The loading of costs onto transporters as per the proposal, is not in NGNs view, an appropriate manner in which the administrative function Uniform Network Code costs should be borne.

Northern Gas Networks Limited

Registered in England & Wales No 5167070

Registered Office

1200 Century Way Colton

Leeds LS15 8ZA

Tel: 0113 251 5000

Yours sincerely

Robert Cameron-Higgs
Network Code Manager

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