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Dear Julian,

**RE: Draft Modification Report 0109: "Acceptable Security Tools available to Users for Transportation Credit Arrangements".**

Thank you for the opportunity to comment upon this modification proposal.

British Gas Trading (BGT) supports this modification proposal.

BGT has an overarching concern about the extent to which the balance of the shipper community is exposed to increased debt risk as a result of changes to the credit security regime.

However, we believe that, providing adequate safeguards exist for each of the security options listed within this proposal, thereby limiting the spread of risk as far as reasonably practicable, the range of security tools proposed could bring overall benefit to the industry.

We believe that the main area of benefit will be through a lowering of barriers to market entry, and the ability for players to select the most appropriate security options for their particular business' circumstances. This should have the potential to lead to lower overall levels of tied costs across the industry.

To this end, BGT believes that this proposal should facilitate the securing of effective competition between relevant shippers and relevant suppliers.

Please don't hesitate to contact me if you have any queries about this response.

Yours sincerely

Chris Wright  
**Contracts Manager**