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Your Reference:

Dear John,

Modification Proposal 0288

Thank you for providing SSE, with the opportunity to comment on the above Modification Proposal.

SSE is supportive of proposal 0288.

NG NTS proposes to remove the Minimum Eligible Amount requirement for all Capacity reduction requests. This will enable any User with an Enduring Annual NTS Exit (Flat) Capacity quantity that is less than 100,000 kWh, or greater than 100,000 kWh, at an NTS Exit Point, to reduce their Enduring Annual NTS Exit (Flat) Capacity quantity in the reduction window or via an ad-hoc reduction request.

SSE agrees with the Proposer that implementation of the proposed Modification would better facilitate the relevant objectives as detailed in the Modification Proposal.

However, SSE does not agree with the proposed User Pays cost split, which is 50 % Transporters & 50 % Shippers (albeit that the current cost estimate is zero). Shippers will benefit from this proposal but SSE believes that these proposed changes result from Exit reform implementation. Consequently costs should be incurred by the Transporter whom has already been funded through the DN sales process.

Please do not hesitate to give me a call if you wish to discuss this further.

Yours sincerely

Jeff Chandler
Head of Fuel Strategy
Energy Strategy