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**Response to UNC Modification Proposal 136: Reconciliation following
AQ Amendment where an SSP becomes an LSP prior to calculation
of Provisional Annual Quantity**

Dear Tim,

E.ON UK is in support of this Modification Proposal.

This along with the other recent Modification proposal aims to remove the safeguards that were originally introduced with the implementation of Modification 640 to Transco's Network Code. These safeguards were introduced initially to ensure that shippers in the larger supply point market were not unduly penalised by the proposal. After several years of operation it has been found that these safeguards are not needed and that the exposure to the RbD market of maintaining them is unacceptably high.

We appreciate the original Ofgem determination in respect of Modification 96 and the issues that were raised by this. We believe that this Modification Proposal has attempted to address the issues raised in a pragmatic way.

Yours sincerely

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