



Industry & Regulation

3 The Square
Stockley Park
Uxbridge
Middlesex
UB11 1BN

Direct Dial: 0208 734 9375
Facsimile: 0208 734 9350

Thursday, 26 October 2006

Tim Davis
Joint Office of Gas Transporters
Ground Floor Red
51 Homer Road
Solihull
West Midlands
B91 3QJ

By E-mail

Dear Tim,

Re: DNPC01 – Customer Charge Structure for the 0-73MWh Load Band

Thank you for confirming that responses to the above document may be sent to the transporters via yourself at the Joint Office. This response is non-confidential.

Centrica is not opposed to the change in principle; however, we do have some concerns in respect of the proposals which we believe need to be addressed in advance of us being able to support them.

1) Invoices

It is not clear from the consultation how the revised charge will be placed on to the transportation invoices, i.e. will a new charge type be required and will the invoice file format need to change?

2) Systems

If the invoices and file formats are anticipated to change, particularly if a new charge type is required, advance notice will be needed. We propose that six months notice should be given of implementation from the date at which the definitive new file formats are published. If significant changes are required to shipper systems as a result of this proposal, we would oppose implementation in April 2007. However, we cannot assess the likely requirements at this point due to insufficient information.

Centrica plc
Registered in England No. 3033654
Registered Office
Millstream, Maidenhead Road
Windsor, Berkshire SL4 5GD

3) RbD

The consultation does not cover potential transitional arrangements. We believe that the proposed change would affect the RBC charge in RbD. Given that the RbD sectors extend over a 12 month period, it may be necessary to put in place arrangements to address this transitional period.

4) Suppressed Reconciliation

In addition to RbD, we believe that suppressed reconciliations will also affect the levels of the RBC charge, and that any transitional arrangements under (3) above, should also take this into account.

We would welcome further information on the points raised above. In addition, for future consultations of this type, we believe it would be helpful for the DNs to include contact details for responses within the consultation document.

We trust these comments have been helpful, but if the DNs would like to discuss any of the comments in more detail, I should be happy to help.

Kind regards,

Yours sincerely,

By e-mail

Alison Russell
Senior Regulation Manager, Upstream Energy