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Tim Davis
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Joint Office of Gas Transporters
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22th June 2005

Dear Tim,

Re: Modification No. 0019, Amendment of Network Entry Provisions at ConocoPhillips sub-terminal at Theddlethorpe to align with Transco's 10 Year Statement.

As proposer of the modification ConocoPhillips supports the proposal.

The proposed changes of the Network Entry Provisions at Theddlethorpe are significant in addressing point 3 of the draft modification report, the implications of implementing the modification proposal in particular on security of supply. In recent times gas with a wobble limit lower than the earlier developed fields in the Southern North Sea, is increasingly being discovered and exploited. Until recently it has been possible to blend all this gas with higher specification gas from offshore, to meet Transco's local entry specifications. The depletion of offshore blend gas is now becoming a constraint, with the result that occasional production problems of blend gas can lead not only to the loss of that production but also production of the lower wobble gas. This modification will ease this issue and potentially increase short-term security of supply.

Medium term security of supply is also increased through this proposal. Discovered lower wobble gas could be developed. Development of such known reserves is also relatively quick as a consequence of new supplies being brought onto the system without any capital investment necessary to develop Transco's system to allow this new gas source to enter the NTS. Furthermore this would extend the life of the terminal and allow as yet undiscovered gas to also be produced. As such the proposal facilitates the economic and efficient development of new gas supplies.

The incremental gas produced will also utilize the significant spare entry capacity at Theddlethorpe. The extra gas in the UK will secure the effective competition between shippers and suppliers, supporting point 8 of the draft modification report, the implications of implementing the modification proposal for consumers and suppliers.

The modification proposal seeks to marginally reduce the lower wobble limit and the CV at Theddlethorpe. These adjustments being alignment with both the Gas Safety (Management) Regulations (GS(M)R) and Transco's current 10 Year Statement, thus removing the risk of discrimination. The report highlights its concern regarding the impact upon shrinkage as a consequence of these changes. The implication of the changes is a potential increase in the variability of the CV and wobble number of the gas. However over a period the approval of this modification will result in relevant insignificant change in the average CV and wobble number of the gas delivered from Theddlethorpe terminal.

Please do not hesitate to contact me on 020 7408 6233 if you have any queries regarding this submission.

Yours sincerely,



Rekha Patel.

Gas and Power Regulatory Analyst.