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Julian Majdanski
UNC Modification Panel Secretary
Joint Office of Gas Transporters
Ground Floor Red
51 Homer Road
Solihull
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Dear Julian

Modification Proposal 0073

Thank you for providing Scottish and Southern Energy plc (SSE) with the opportunity to comment on the above modification proposal.

SSE is not supportive of the proposal.

The proposal seeks to extend the notice period for changes to charges out to 4 months ,from 2 months, to allow these to be more accurately reflected in customer contracts. SSE recognises that this provides increased cost certainty for suppliers during quoting. However, less of the data from the current year is available to base the charges on and this has the potential to generate charges that are not cost reflective. It is understood that forecasts would need to be used rather than actual data. In the event that the forecasts are inaccurate this has the potential to create large year on year changes, leading to lack of stability and volatility. In extreme cases a licence condition not to over recover may cause multiple changes to charges within year.

Yours sincerely

Jeff Chandler
Energy Strategy