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Our Reference

Your Reference

Re: Modification Proposal 0075 – Proposal to amend Annex A Part 8 of the Connected System Exit Point (CSEP) Network Exit Agreement (NExA) by replacing the current version of the AQ Table with a revised Table to account for movements in AQ values as a result of the AQ Review 2004/05

Dear Julian,

Thank for your invitation seeking representation with respect to the above Modification Proposal. National Grid Gas Distribution (National Grid) supports implementation as it furthers the relevant licence objectives of:

A11.1 (d) The securing of efficient competition between relevant shippers, suppliers and DN operators,

Background

In January 2005, Transco raised UNC Modification Proposal 0012 “New Seasonal Demand Derivation and Associated AQ Impacts” which sought to introduce a methodology whereby it was able to apply changes to the seasonal normal basis within the Annual Quantity (AQ) Review. This would permit use of revised new basis Weather Annual Load Profiles (WALPs) in the AQ calculation.

The Network Code Demand Estimation Sub-Committee (DESC) had undertaken analysis which led to a new basis for seasonal normal weather taking account of recent experience of successive years of warmer weather.

This Modification was implemented on 26 May 2005 and subsequently led to an overall reduction in AQ values for Supply Points connected to Transco’s network.

The Proposal

The purpose of the AQ table located within Annex A Part 8 of the LDZ CSEP NExA is to provide a reasonable assessment of the AQ for new CSEP Supply Points where there is insufficient consumption data to derive an AQ from consumption history. This Proposal seeks to update the values within the AQ table to reflect the recent experience of successive years of warmer weather as applied to those Supply Points directly connected to Distribution Networks and the National Transmission System.

National Grid supports the re-assessment of the values within the AQ table as this is consistent with the impact of the revised Weather Annual Load Profiles on Annual Quantities for UNC Supply Points following implementation of UNC Modification 0012.

Please contact Chris Warner on 01926 653541 (chris.warner@uk.ngrid.com) should you require any further information with respect to the above representation.

Yours sincerely,

Declan McLaughlin
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¹ Gas Transporter Licence (Distribution) Special Condition E2B