

TOTAL GAS & POWER LIMITED

Mr. Julian Majdanski
Joint Office of Gas Transporters
Ground Floor Red
51 Homer Road
Solihull
West Midlands
B91 3QJ

1st September 2006

Dear Julian,

Modification Proposal 0098 and 0098a – Emergency Curtailment Quantity Methodology

Total Gas & Power Limited (TGP) support implementation of modification proposal 98, however, we do not support implementation of modification proposal 98a.

- We prefer the step-wise approach proposed in 98 and the proposal to use nominations should OPNs be unavailable. We consider these are the most accurate values for projecting gas usage and deriving ECQ volumes during the first day of either an imminent or actual gas deficit emergency. The proposed step-wise approach should also lead to more consistency, between transporters, when deriving these values. This consistency in turn should provide greater levels of clarity and reduce the ex-post administrative burden of shippers attempting to independently validate these transporter-calculated values. It may also reduce the number of appeals raised after the emergency period. Hence we consider proposal 98, relative to 98a, better facilitates the relevant objectives.
- TGP supports inclusion of the ECQ methodology within the UNC. In our view subjecting it to the same governance arrangements as the UNC will improve the transparency and accountability of the process. We note that mod 98a may only be subsequently modified if transporters, at their discretion, suggest proposed changes to the Network Code Committee. We are confident that the existing UNC governance mechanisms contain appropriate checks and balances to ensure that inappropriate methodology changes are not implemented.

Please feel free to contact me on the number below if you wish to discuss our response in more detail.

Yours sincerely,

(This message is sent electronically and is therefore not signed)

Sharif Islam
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