



Mr. Julian Majdanski
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11 September 2006

Dear Julian,

Re: Modification Proposal 0101: “Amendment to Demand Forecasting times in relation to the Gas Balancing Alert”

The Association of Electricity Producers welcomes the opportunity to provide comments on this Modification Proposal. We offer qualified support for the proposal

Our comments are as follows:

The issue that prevents the Association from offering full support relates to the notification of an alert. When a GBA was first introduced the times when it could be triggered were limited so that consumers could simply review the website at specific times to ascertain if an alert had been issued. We note that National Grid (NG) is planning to introduce a SMS notification service to provide rapid communication to interested parties of a GBA being issued. If NG could provide a stronger undertaking that this service will be available in time for the implementation of this proposal then we would be able to offer full support.

Extent to which implementation of the proposed modification would better facilitate the relevant objectives

We agree that more frequent provision of demand forecast information and increased opportunities for the issuing of a Gas Balancing Alert should contribute to the efficient and economic operation of the system. Also that it is important that operational practices and the UNC are aligned.

The implications of implementing the Modification Proposal on security of supply, operation of the Total System and industry fragmentation

The Association also agrees that increased opportunities for issuing a GBA may help to avert national gas system emergency and in principle enhance security of supply.

Yours faithfully

Julie Cox
Head of Gas Trading
Association of Electricity Producers