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Modification Panel Secretary
Joint Office of Gas Transporters
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Dear Julian,

Modification Proposal 0102: Removal of Failure Notices in respect of Energy Balancing Credit

Thank you for providing SGN with the opportunity to comment on the above modification proposals.

I can confirm that SGN supports the proposal.

SGN agree that the lapse periods of issuing failure notices has a consequence on the community's potential financial exposure. SGN believes implementation of this proposal would speed up the process as it currently stands and help minimise the community's exposure to financial loss as a result of Energy Balancing Credit Risk. As such participants should have greater confidence in arrangements.

We believe the proposal will introduce more robust arrangements which should better facilitate the relevant objectives, particularly the efficient and economic operation of the pipeline system.

No significant implementation costs have been identified by SGN as the changes are only procedural and therefore agree that implementation is feasible within the timescales specified within the proposal.

We hope you find these comments helpful.

Yours sincerely

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