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2 November 2006

Dear Julian,

Re: Modification Proposal 0112: Aggregation of Credit Positions or Use of Group Ratings

Thank you for the opportunity to comment on the above modification proposal. Statoil (UK) Ltd (STUK) is in support of this modification and would like to make the following comments.

The proposal suggests that following recommendations in the Ofgem "Best practise guidelines for gas and electricity operator cover" Users may aggregate their credit positions or use group ratings providing that the arrangements are robust and unconditional.

STUK is in agreement with the proposer that implementation of this modification will better facilitate the achievement of the relevant objectives by ensuring that there is no inappropriate discrimination or inappropriate barriers to entry and would facilitate the securing of effective competition between relevant shippers. The implementation of this consistent credit process will not only move towards recognise best practise but help to reduce the risk exposure to the rest of the industry.

STUK trust that our comments will be given due consideration and should you wish to discuss any aspect of this response further please contact me on the above number.

Yours faithfully

Shelley Rouse
Statoil (UK) Ltd



ISO 14001 Certificate 156



ISO 9002 Certificate No. 34477