

Scottish & Southern Energy
Grampian House
200 Dunkeld Road
Perth
PH1 3GH
Direct Tel: 01738 457909
Direct Fax: 01738 456194
Email: Jeff.chandler@scottish-southern.co.uk
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Julian Majdanski
UNC Modification Panel Secretary
Joint Office of Gas Transporters
Ground Floor Red
51 Homer Road
Solihull
B91 3QJ

Dear Julian

Modification Proposal 0117

Thank you for providing Scottish and Southern Energy plc (SSE) with the opportunity to comment on the above modification proposal.

SSE offers qualified support for this proposal.

SSE considers the proposal to be an interim solution to address the following issue associated with the Farningham meter error:

- Cost reflectivity – the recovery of costs is based on current market share, by restricting the period under consideration to 26 months rather than the full duration of the error the recovery is more likely to reflect current market share and hence be more cost reflective.

However, SSE believes that further investigation is required via a Work Group to address concerns over appropriate reconciliation periods and ensure better understanding of the issues by the industry. This is required where time constraints as implemented by this proposal could create incentives to delay investigations and validations before the issue of an invoice.

Yours sincerely

Jeff Chandler
Energy Strategy