

27 November 2006

Julian Majdanski  
UNC Modifications Secretary  
Joint Office of Gas Transporters  
51 Homer Road  
Solihull  
B91 3LT

Dear Julian

**GAZ DE FRANCE ESS (UK) LTD**

1 City Walk  
Leeds  
LS11 9DX  
United Kingdom

tel: +44 (0)113 306 2000  
fax: +44 (0)113 245 1515

[www.gazdefrance.co.uk](http://www.gazdefrance.co.uk)

REGISTERED IN ENGLAND  
NO. 2706333

**Uniform Network Code Modification Proposal 0122 – Restriction of invoice billing period to price control**

Thank you for the opportunity to respond to the above modification proposal. Gaz de France ESS supports the implementation of modification proposal 0122.

Gaz de France ESS agrees with the proposers that implementation of these proposals would better facilitate special licence conditions A11.1a “economic and efficient operation of the pipeline system”, implementation of this modification proposal; will incentivise Transporters to record accurate flows on the system. Also in a similar respect, condition A11.1b “the coordinated, efficient and economic operation of the combined pipeline system” is furthered with regard to accurately reflecting flows of gas at the NTS/Distribution Network boundary.

We also agree that this modification better furthers the relevant objective A11.1d “securing effective competition between suppliers” as having a defined cut-off period for invoicing error allows for a fairer allocation of costs between users, this is particularly true in respect of the smaller supply point market which is subject to RbD.

Fixing the backstop date initially to April 2002 reduces the financial exposure that transporters may face over and above that proposed in Modification 0117. Gaz de France ESS are aware that an immediate resolution is required to correct the situation with regard to Farningham however we consider that a more comprehensive review of the arrangements for retrospective billing of energy and transportation charges is required as suggested in this modification proposal.

I trust these comments are helpful, if you have any queries regarding this response please contact me on 0113 306 2104.

Yours sincerely

P. Broom

**Phil Broom**  
**Regulatory Affairs Analyst**  
**Gaz de France ESS**