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Dear Tim,

**RE: Modification Proposal 0129 (Urgent) - Delay to the 2007 AMSEC Auction**

E.ON UK supports early implementation of Modification proposal 0129 as it provides a mechanism for formalisation of the baselines that have, in principle, been accepted by National Grid (NG). As such, both Modification Proposals 0128 or 0129 could be seen to facilitate the achievement of the relevant objectives under SSC A11.1(a) *the efficient and economic operation of the pipeline system*.

Now that the baselines have been “finalised”, it is imperative that without delay, NG works with the industry to progress implementation of viable mechanisms for the transfer of *both* sold and unsold entry capacity. These arrangements must be in place prior to any future AMSEC auctions, as the existence of these transfer mechanisms will inevitably impact the bidding behaviour of Shippers in these auctions.

Notwithstanding the above, E.ON UK's long-standing position is that all key commercial terms between Shippers and National Grid NTS should be set out in the Uniform Network Code (UNC). This gives greater accountability and transparency and lends UNC signatories the ability to influence and propose changes to such terms rather than them being a matter for agreement between Ofgem and NG.

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If you have any questions or queries regarding this response, please do not hesitate to contact me on 02476 181421.

Yours sincerely

**Richard Fairholme (by email)**  
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