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Julian Majdanski
UNC Modification Panel Secretary
Joint Office of Gas Transporters
Ground Floor Red
51 Homer Road
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Dear Julian

Modification Proposal 0138

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

SSE is supportive of this proposal.

SSE welcomes the proposal to have a Sold Capacity Transfer Process in place such that capacity can be transferred between ASEPs after the AMSEC but prior to the AMTSEC. It is important for security of supply and efficient operation of the network that this mechanism is in place to permit the transfer of capacity for this winter. To facilitate this quick implementation SSE agree that the transfer should be restricted to those ASEPs that have sold out and that the allocation process is based on a single event that uses pro-rating, when oversubscribed, to allocated capacity.

SSE considers this Proposal would, if implemented, better facilitate the following Relevant Objectives as set out in National Grid NTS's Gas Transporters Licence:

- in respect of Standard Special Condition A11 paragraph 1(a), the Proposal would provide Users at sold out ASEPs the opportunity to seek to transfer sold capacity from other ASEPs. This will result in the avoidance of sterilization of capacity and stranding of gas offshore, and thereby better facilitate the efficient and economic operation of the NTS pipeline system;
- in respect of Standard Special Condition A11 paragraph 1(c) (the efficient discharge of the licensee's obligations under this licence), the Proposal meets new Licence obligations on National Grid NTS to facilitate the transfer of sold capacity between ASEPs; and
- in respect of Standard Special Condition A11 paragraph 1(d), the Proposal would promote the securing of effective competition between relevant Shippers by making more capacity available at ASEPs that have been sold out. Provided that the nodal maxima is above the baseline level.

Yours sincerely

Jeff Chandler
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