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Dear Julian

EDF Energy Response to UNC Modification 0139 & 0139A “Amendments to UNC TPD OCS Process and Long Term Allocation of Capacity in the Transitional Period”

EDF Energy welcomes the opportunity to respond to this consultation, and offer qualified support to the implementation of 0139A.

Whilst the changes proposed by modification proposal 0139 to the current UNC TPD OCS process appears reasonable, EDF Energy is unable to comment on whether these will represent an improvement to the current arrangements or not as we are not involved in the process. It would however appear reasonable that the timetable for booking capacity is altered to allow the GDNs and NGG time to discuss their capacity requirements and reach the optimal solution. However we believe that modification proposal 0139A is the better solution as it provides additional information to the market as a whole that will be beneficial in preparation for the enduring offtake arrangements.

In particular we believe that implementation of modification proposal 0139A will provide the industry with important information as to the flexibility requirements of the GDNs that would be useful for the market when developing their strategies. However it is not clear from the proposal whether the information is to be provided on a nodal basis or by GDN, or in the case of flexibility whether it will be on a zonal basis. We believe that in order for the full value of this information to be realised it will have to be released on either a nodal or zonal basis, or a combination of the two dependent on the information that is to be released.

We believe that flat offtake bookings should be published on a nodal basis, in line with the information that was published to support the Enduring Offtake Working Group (EOWG) and in support of modification proposal 0116V. Further value could be realised from this information were it to be released on a nodal basis for all NTS connected offtakes, however we recognise that this is not part of the proposal. In relation to flexibility capacity bookings it would appear that releasing this information by GDN would have little, or no value, as the market would be unable to identify what the GDN's flex requirements were in the zone or area they were operating in. Given that under the enduring regime Users are expected to compete with GDNs for this product on a zonal basis, with the GDNs' flex requirement dependent on their network configuration it would appear beneficial for this information to be published on either a zonal or nodal basis in order to provide vital information to Users in forming their strategies. We believe that there are no issues of commercial sensitivity associated with the release of this information as under the current arrangements there is no value associated with these bookings.

We therefore believe that both proposals will facilitate the achievement of Standard Special Condition A11.1 (f) the promotion of efficiency in implementation and administration of the Uniform Network Code, however we also believe that modification proposal 0139A goes further than 0139 by facilitating SSC A11.1 (d) the securing of effective competition between relevant Shippers suppliers and GDNs. I hope you find these comments useful, however if you have any further questions please contact me.



Yours sincerely

A handwritten signature in black ink that reads "Stefan Leedham".

Stefan Leedham
Gas Market Analyst
Energy Regulation, Energy Branch.