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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 0146

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

SSE is generally supportive of the underlying principles behind the above Mod; following Ofgem Best Practice Guidelines – lowering the amount of security that needs to be provided and reducing barriers to entry.

SSE has the following comments on the above Proposal:

- It appears that this mod has the Moody's and S&P ratings muddled up. A and BB- are S&P not Moody's as written. The terminology needs to be clear and consistent - we believe they are referring to the full A banding (which SSE agree with) but clarification is required as there is a significant difference across the range of A bands.
- in the definitions section under Parent Company it should specify that any PCG provided is done so under the jurisdiction of English Law.
- is Prepayment really an acceptable form of cover - does it have a float or cushion.
- are deposit funds held in an segregated account and is interest payable? This point also applies to Prepayment funds - these should be held separately with interest payable.

Yours sincerely

Jeff Chandler
Gas Strategy Manager
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