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Friday, 3<sup>rd</sup> August 2007

Dear Tim,

**RE: Modification Proposal 0159 - National Grid NTS discretionary release of Interruptible NTS Entry Capacity**

E.ON UK **supports** implementation of Modification Proposal 0159. We believe that it would likely result in additional and useful interruptible capacity being made available to the market and also complements (but is not reliant upon) the capacity trade and transfer Licence obligation. As we understand it, the proposal effectively removes a contractual constraint on the market, and therefore can be considered to better facilitate the relevant objectives under SSC A11.1 (a); the efficient and economic operation of the pipeline system and A11.1 (c); the efficient discharge of the licensee's obligations under their licence.

In addition, the introduction of a minimum UIOLI calculation should increase the opportunity for NG NTS to release more entry capacity across input points, enabling more efficient delivery of lowest cost gas supplies and better discovery of entry capacity prices. On this basis, the proposal can be considered to better facilitate the relevant objectives under Standard Special Condition A11.1 (d); the securing of effective competition between relevant shippers.

It is important to note, however, that the release of additional interruptible capacity by NG NTS under this proposal is entirely discretionary. As a result, some Users have voiced concerns that a supporting methodology statement would be useful to underpin the proposal and provide greater transparency and predictability about how and when capacity could be released, if the proposal is implemented. We would echo those concerns and believe that this is an area where more information could be genuinely required by the market to improve transparency and efficiency.

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Yours sincerely

**Richard Fairholme** (by email)  
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