



2 Leesons Hill
Orpington
Kent
BR5 2TN

Direct Tel: 01689 886780
Email: Bali.dohel@scotiagasnetworks.co.uk

Modification Panel Secretary
Joint Office of Gas Transporters
Ground Floor Red
51 Homer Road
Solihull
West Midlands
B91 3QJ

09 November 2007

Dear Julian,

Modification Proposal: 0165V: Change to Measurement Provisions Change Process.

Thank you for the opportunity to comment on this Modification Proposal. Scotia Gas Networks provides the following comments for this proposal.

SGN is generally supportive of arrangements which simplify processes and improve efficiency of arrangements but has concerns that in this particular case, arrangements proposed are too restrictive and legal text provided is not clear or consistent with the Modification Proposal. As such we do not support implementation of the proposal.

The proposal seeks to amend the process to manage changes to measurement provisions by introducing a two tier process that firstly involves the Transporter and either the Delivery Facility Operator, connected System Operator, Storage Operator or Gas Consumer agreeing to the change. The second stage then involves notification to "relevant Users". Providing relevant Users do not object it is proposed that changes can be made to measurement provisions without having to raise a Modification Proposal. It is understood that if the Transporter and either the Delivery Facility Operator, Connected System Operator, Storage Operator or Gas Consumers agreement is not given, changes can only be progressed through the UNC modifications process.

SGN believes that implementation of such a proposal would reduce the time and resource requirements of industry parties. However SGN believes that following further consideration and review of the legal text provided, the proposal is overly restrictive and suggested legal text is ambiguous and does not fully reflect the Modification Proposal.

Section I - Entry Requirements

We note that Section I 2.2.1 has not been amended. As such no provision is made to include the Gas Consumer in the process. We believe the Gas Consumer is only relevant in relation to specific System Exit Points, and therefore not required here, but this was not explicit in the Modification Proposal.

2.2.2(a)(i) Users are given 5 (Business Days) to lodge an objection. We note that the Modification Proposal stated that five working days was to be the minimum period of time allowed. We believe it would be beneficial to provide for a longer period of notice where possible, as suggested in the Modification Proposal.

2.2.2(a)(i) Relevant User has been interpreted in legal text to be those holding capacity at the date notice is issued. We believe this is overly restrictive. It excludes those Users who may not hold capacity at that point in time but have capacity bookings at some point in the future and who could be materially affected by the Modification Proposal. We believe this is inappropriate.

2.2.3(a) We believe legal text would benefit from explicit clarification that the modification process must be followed where one or more Users object and where the Transporter and Delivery Facility Operator don't agree.

Section J - Exit Requirements

We believe a paragraph is required before J 4.3.6 making it clear that changes can't be made to measurement provisions without the agreement of the Transporter, Connected System Operator, Storage Operator or Gas Consumer. We believe this would flow logically into J 4.3.6 which requires the Transporter to seek agreement of relevant Users.

4.3.6 (i) As above under Section I, the proposal indicated five working days should be the minimum period allowed. We believe it would be beneficial to provide longer where possible.

4.3.7 We believe this needs to be amended to make it clear that where the Transporter and Connected System Operator, Storage Operator or Gas Consumer fail to agree or where a relevant User lodges an objection, the change can only be progressed as a Code Modification. This is not clear at present.

As a general point, we believe it would have been helpful to include all relevant sections of the UNC in the suggested legal text to make it easier to read and understand the full extent of the changes proposed e.g. I 2.2.1 and I 2.2.3.

We hope you find these comments helpful.

Yours sincerely

Bali Dohel
Network Officer