

Mr Julian Majdanski

Joint Office of Gas Transporters
Ground Floor Red
51 Homer Rd
Solihull
B91 3QJ

Claire Thorneywork
Commercial Analyst
Gas Codes Development
Regulatory Frameworks
Transmission

01926 656383

Claire.I.Thorneywork@uk.ngrid.com

www.nationalgrid.com

17 April 2008

Modification Proposal 0185vv 'Meter Error Notification Process'

Dear Julian,

Thank you for your invitation seeking representation with respect to the above Modification Proposal.

National Grid NTS (NG NTS) fully supports the proposed introduction of the 'Measurement Error Notification Guidelines for NTS to LDZ Meter Offtakes and LDZ to LDZ Meter Transfers' (Guidelines), governed under the UNC as a UNC related document under section V12, with any further development or modification of these Guidelines governed and agreed upon by the UNC Committee.

We consider that this Proposal reflects the recommendations expressed by the majority of those attending the Review Group 0131 – 'LDZ RBD Reconciliation Notification Process' in that it seeks to introduce robust and transparent LDZ measurement error notification processes, through the 'Guidelines' that have been developed and consulted upon with the community.

We note that Modification Proposal 0185VV seeks to amend the OAD to ensure its consistency with the proposed 'Guidelines', we believe that this better meets the objective of achieving greater efficiency in respect of implementation and administration of the UNC than would have been achieved through the previous Proposal 0185V.

2) Extent to which implementation of this Modification proposal would better facilitate the achievement (for the purposes of each Transporters Licence) of the Relevant Objectives

Standard Special Condition A11.1 (d): so far as is consistent with sub-paragraph (a) to (c) the securing of effective competition between shippers, suppliers and DN operators:

We agree with the Proposer that introducing the 'Guidelines' as a formal document under the governance of the UNC would provide greater transparency and '*certainty for Users, reducing the risk of operating in the GB gas market and thereby facilitating the achievement of this relevant objective*'.

4) The implications for Transporters and each Transporter of implementing this Modification Proposal, including:

b) The development and capital cost and operating cost implications:

We believe that when capital and operating costs are compared with costs associated with prevailing 'LDZ RbD Reconciliation Notification Process' (0643 process) such costs may not be viewed as significantly greater.

6) The high level indication of the areas of the UK Link System likely to be affected, together with the development implications and other implications for the UK Link Systems and related computer systems of each Transporter and Users

No such implications are anticipated.

7) The implications of implementing the Modification Proposals for Users, including administrative and operational cost and level of contractual risk

We believe that this Proposal if implemented will reduce contractual risk as the process provides greater transparency and early notification of errors resolved through a robust and well defined process.

Please let me know if you require any further information to enable preparation of the Final Modification Report.

Yours sincerely

Claire Thorneywork