

National Grid House Warwick Technology Park Gallows Hill, Warwick CV34 6DA

Julian Majdanski
First Floor South
Joint Office of Gas Transporters
31 Homer Road
Solihull
West Midlands
B91 3LT

Richard Wilson NTS Shrinkage Provider

Richard.Wilson3@UK.NGrid.Com
Direct tel +44 (0)1926 655636
Direct fax +44 (0)1926 656616
Mobile +44 (0)7825 042852

www.nationalgrid.com

23rd April 2008 Our Reference MOD/230408/185VV/LET001

Re: Modification Proposal 0185VV - "Meter Error Notification Process"

Dear Julian,

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

The NTS Shrinkage Provider (NTS SP) fully supports the proposed introduction of the "Measurement Error Notification Guidelines for NTS to LDZ and LDZ to LDZ Measurement Installations" (Guidelines) as a UNC related document under the governance framework accorded to it within Section V of the Uniform Network Code (UNC).

The NTS SP believes that the Proposal represents the achievement of the recommendations made within the Review Group 0131 Report in that it delivers a considered set of Guidelines to act as a UNC Related Document under an appropriate governance regime.

The NTS SP supports the proposed modification of the Offtake Arrangements Document and the Uniform Network Code to ensure that the UNC Related Document will not introduce conflicting terms.

The NTS SP believes that the introduction of the proposed Guidelines succeeds in providing greater transparency to Users and facilitates the timely evaluation of measurement errors. The Proposal will enhance the economic and efficient re-allocation of costs across the market place by the introduction of a formalised process. The Guidelines provide clarity to the User community as to their exposure to measurement errors. This provides additional certainty to the User population as to the position within the market delivering incremental enhancement to effective competition between shippers.





The NTS SP agrees with the proposer that the implementation of this Proposal allows the current process known as the "LDZ RbD Reconciliation Notification Process" to drop away. This however can only happen once appropriate steps have been taken to establish the frameworks identified within the Guidelines document and can only be considered as fully implemented once the all frameworks are delivered to fully support a Significant Measurement Error.

Please let me know if you require any further information.

Yours Sincerely

Richard Wilson NTS Shrinkage Provider