ScottishPower

energy management

Julian Majdanski Modification Panel Secretary Network Code Development 51 Homer Road Solihull West Midlands B91 3LT

15 January 2008

0141 568 2464

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Dear Julian,

The following is the Scottish Power response to

Modification Proposal 0189 – Ammendment to the QSEC Auction Timetable

Thank you for allowing us to respond to this modification.

Scottish Power offer qualified support for UNC modification 0189

This modification seeks to change the timing of the QSEC auction from September to April each year.

In principle we support the more timely release of entry capacity. We also support greater opportunity to send signals for release of incremental capacity at entry points. This is particularly the case given the current long lead times of 42 months to make actual incremental capacity available.

We have some sympathy with the view that the change of date might enhance the quality of information used for National Grid to produce their forecasts, and be more aligned to the gas year.

However, in our view, a long term capacity auction should be held every time there is a major change in the methodology relating to entry capacity release.

Whilst this mod does not in itself deliver an ongoing increased opportunity for this, on these principles we would support this modification, with the qualification that the baseline changes will be in place by April 2008.

We have a concern over the lack of a clear substitution methodology being in place for these auctions, and would prefer that an auction be in place for long term capacity as soon as possible after this methodology is established. Should you have any queries on the views expressed, please contact me on the telephone number as shown.

Yours Sincerely,

Verw Gardan Commercial & Regulation Manager (Gas) Scottish Power Energy Wholesale