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15<sup>th</sup> January 2008

Julian Majdanski Joint Office of Gas Transporters 51 Homer Road Solihull B91 3QJ

Dear Julian

## BG Gas Services Limited Response to Code Modification Proposal 189 - Amendment to the QSEC auction timetable.

BG Gas Services Limited supports the implementation of Modification Proposal 189 to align the release of incremental capacity with the start of the Gas Year, and to enable shippers to bid against any revision to the capacity baseline levels. However our support is dependent on the following conditions:

- There is certainty about the relevant baseline levels prior to the auctions taking place, following Ofgem's review of the current baselines. There should be sufficient time for market players to understand the new baseline levels prior to the auctions.
- There is no substitution in the proposed 2008 QSEC auctions as there has not yet been sufficient industry consideration of this issue.

Should you have any queries please do not hesitate to contact me at the address below.

Yours sincerely,

Alex Barnes Commercial and Regulation Manager Europe Downstream

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