



Modification Panel Secretary
Joint Office of Gas Transporters
Ground Floor Red
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08 February 2008

Dear Julian

Modification Proposal 0193: Removal of Certain “Gas not made available for offtake” Provisions from the UNC

Thank you for providing SGN with the opportunity to comment on this Modification Proposal. Scotia Gas Networks supports implementation of the Modification Proposal.

In accordance with Ofgem Consultation 279/07 it is proposed that a revision version of the Gas (Standards of Performance) Regulations will be introduced and become effective from 1 April 2008. The proposed Regulations are intended to provide further clarity regarding compensation arrangements. As a result, SGN agrees with the Proposer, that corresponding changes are required to the UNC to support the revised Regulations and ensure contractual risk for Transporters is not increased.

SGN believes implementation of the above Modification Proposal will better facilitate relevant objective A11.1(f), efficiency in implementation and administration of the network code as it removes compensation arrangements from the UNC, leaving them entirely within Regulations. This removes any potential for conflict between the UNC and Regulations and avoids the need for dual governance. It also removes any risk of dual liability that could otherwise face Transporters.

We hope you find these comments helpful.

Yours sincerely

Bali Dohel
Network Officer