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Modification Panel Secretary
Joint Office of Gas Transporters
First Floor South
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Dear Julian,

Modification Proposals: 0215 Enduring Arrangements for Supply Point Capacity decrease at an Interruptible Supply Point.

Thank you for the opportunity to comment on Modification Proposal 0215. Scotia Gas Networks fully supports the implementation of Modification Proposal 0215.

This Modification aims to provide flexibility for Transporters when supply points wish to decrease its SOQ, or portion of it. It gives potential for the supply point to retain its Interruptible Tranche Capacity and, instead, the decrease would reduce the Firm Supply Point Capacity. This would occur on the agreement of both the DNO and the Registered User. If either the DNO or the Registered User did not wish to retain any of the proposed decrease in SOQ as Interruptible Capacity then the existing arrangements in UNC TPD G 6.1.6(b) would apply.

SGN are supportive of such changes as this would allow DNOs the flexibility on how the reduction in SOQ's is managed. SGN consider there to be no consequence on the level of contractual risk of Users by implementation of this proposal and believe it would also be beneficial to the end consumer and the User.

SGN believes that overall implementation of the above proposal will ultimately better facilitate the following relevant objectives:

Standard Special Condition A11.1 (a) and A11.1 (b) the efficient and economic operation of the pipe-line system;

SGN agree with the proposer that allowing Interruption Tranche Capacity where required by the DN to remain in place, at a specific Supply Point, will give the DNO the ability to efficiently and economically operate the network. By retaining the Interruptible Supply Point Capacity the DNO may be able to manage Capacity elsewhere on the network, relieve an existing or future known constraint or to satisfy the Interruption Capacity or part of that is required within the specific



Location Zone allowing the DNO to operate the network in a co-ordinated, efficient and economic way.

Standard Special Condition A11.1 (c): so far as is consistent with subparagraphs (a) and (b), the efficient discharge of the licensee's obligations under this licence;

SGN believe implementation of the Modification Proposal will better facilitate this relevant objective as it will assist the Transporter in planning and developing its pipeline system in accordance with Standard Special Condition A9 (Pipe-Line System Security Standards). The Transporter will be better placed to manage the amount of Interruptible Capacity available against the operation and development of the network as a whole.

Standard Special Condition A11.1 (d): so far as is consistent with sub-paragraphs (a) to (c) the securing of effective competition:

SGN believe by allowing Users to maintain available and required Interruption Capacity that had been secured through the annual or ad-hoc Interruption Invitation implementation of this proposal would help secure effective competition between relevant Users.

We hope you find these comments helpful.

Yours sincerely

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