

John Bradley
UNC Panel Secretary
31 Homer Road
Solihull
West Midlands
B91 3LT



09 April 2009

Dear John

EDF Energy Response to UNC Modification Proposal 247: “Alignment of Interruption Application Rules for Annual and Ad-Hoc Applications”.

EDF Energy welcomes the opportunity to respond to UNC Modification Proposal 247. We support implementation of 247.

EDF Energy believes that implementation of this proposal will enable GDNs and Shippers to run and participate a single application window for tenders in a year. This would appear to be more economic and efficient than running two separate tenders. However we would question NGN’s assertion that by enabling NGN to accept bids this will avoid the need for capacity investment. During Development Workgroup 0209 the timelines for the annual auctions was based on the GDN assertion that they required a minimum of 3 years lead time for any capacity investment. We would therefore question whether this proposal will actually result in avoided investment?

However we would also note that the appetite from customers for this new Ofgem led interruptible product has been rather limited. Throughout the development of modification proposal 0090 and the Ofgem Impact Assessment both Shippers and end customers expressed concerns that the proposal as developed would result in a very limited number of bids from customers compared to the current arrangements. The results of the last tender confirmed this. We would therefore question whether extending the scope of the tender window would result in an increase in bids? It is our understanding that this will not dramatically increase the number of bids and so we would question whether there will be any benefit from flogging the proverbial dead donkey?

I hope you find these comments useful, however please contact my colleague Stefan Leedham (Stefan.leedham@edfenergy.com, 020 3126 2312) should you wish to discuss these in further detail.

Yours sincerely

A handwritten signature in blue ink, appearing to read "Seb Eyre".

Dr. Sebastian Eyre
Energy Regulation, Energy Branch