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Modification Panel Secretary
Joint Office of Gas Transporters
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08 April 2009

Dear John

Modification Proposal: 0247: Alignment of Interruption Application Rules for Annual and Ad-Hoc Applications.

Thank you for providing SGN with the opportunity to comment on the above Modification Proposal. SGN would like to offer support for this Modification Proposal.

The UNC currently states that bids can be made for Gas Years Y+4 to Y+8 in the Annual Interruption Invitation, whereas an Ad-Hoc Interruption Invitation can seek bids for any year. This proposal aims to allow Interruption Offers in respect of Gas Years Y+1 to Y+3 in the Annual Interruption Invitation. This would align the Annual and Ad-hoc Interruption rules allowing Transporters and Users the option of securing Interruptible rights in each annual application window for the Y+1 to Y+3 period, allowing Transporters and Users the option of securing bids in one application invitation for years Y+1 to Y+8. We consider that this would remove the requirement to run two separate Interruption Applications.

SGN has the following comments to make in respect of specific sections of the Draft Modification Report:

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

SGN believe that by allowing Interruption bids to take place for years Y+1 to Y+3 within the Annual tender will result in a more efficient and timely tender process. This will help the Networks to develop investment strategies in a more effective manner.

Standard Special Condition A11.1 (f): the promotion of efficiency in the implementation and administration of the network code and/or the uniform network code;

SGN consider implementation of this proposal would further this relevant objective as it would avoid the requirement to run 2 separate Interruption Applications. This will allow customers to secure interruption across the whole tender period in one process. This would remove the uncertainty of bidding in the annual process for three years ahead and then having to secure years



Y+1 to Y+3 in a later ad hoc. The proposal may also reduce industry costs by potentially removing the need for two tender processes each year.

3. The implications of implementing the Modification Proposal on security of supply.

There will be no impact on security of supply however SGN agree with the proposer that implementation of this proposal would provide more efficient signals to avoid potential reinforcement projects.

6. The high level indication of the areas of the UK Link System likely to be affected, together with the development implications.

SGN understand there to be no implementation costs as the functionality to run the Ad-hoc applications already exists.

We hope you find these comments helpful.

Yours sincerely

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