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Modification Panel Secretary  
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Dear John

**RE: Modification Proposal 0249 Introduction of an Enduring Annual NTS Exit (Flat) Capacity Invitation Letter**

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

Implementation of Modification Proposal 0241 will provide the first opportunity for Users to apply for Enduring Annual NTS Exit (Flat) Capacity under the enduring arrangement to be in the Annual Application Window to be held for the first time in July 2009.

The legal text as currently set out in UNC TPD B-1 paragraph 2 requires that National Grid NTS publishes annual capacity notification to Users 28 prior to the commencement of the Annual Application Window. However, there is no obligation in place to publish any notification of unsold Capacity available at each NTS Exit Point of the Enduring Annual NTS Exit (Flat) Capacity.

We believe the arrangements set out in this proposal represent a simple and pragmatic solution which, by modifying the UNC, would provide consistency across all long term capacity release mechanisms by placing obligations on National Grid NTS to publish capacity notifications and issue invitation letters. Furthermore, SGN agree with the proposer that implementation of this proposal would create a level playing field with all Users being able to see the unsold Capacity available at each NTS Exit Point.

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

**2 Extent to which implementation of the proposed modification would better facilitate the relevant objectives**

**Standard Special Condition A11.1 (a): the efficient and economic operation of the pipe-line system to which this licence relates;**



SGN consider implementation of this proposal may further this relevant objective as publication of unsold quantities available at each NTS Exit Point would lead to Users making more informed decisions in the July 2009 Annual Application Window.

**Standard Special Condition A11.1 (d): so far as is consistent with subparagraphs (a) and (c), the securing of effective competition;**

SGN agree implementation of this proposal would help facilitate the achievement of this relevant objective as by providing all Users with the same information with regards to unsold Capacity at all NTS Exit Points, it would create a level playing amongst Users.

**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 agree this would be expected to facilitate the achievement of this relevant objective as it would consistency with other release mechanisms contained within the UNC.

**15 Proposed implementation timetable (including timetable for any necessary information systems changes and detailing any potentially retrospective impacts)**

This proposal would require an Ofgem decision before 1 June 2009 to allow for unsold quantities to be included in the invitation letter to be published 28 days prior to the July Annual Application Window.

We hope you find these comments helpful.

Yours sincerely

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