

Mr. John Bradley
UNC Panel Secretary
Joint Office of Gas Transporters
1st Floor South
31 Homer Road
Solihull
West Midlands
B91 3LT

30 July 2009

Dear John,

RE: Modification proposal 0256 – “Amendment to the Network Entry Agreement at St Fergus SAGE Terminal”

Thank you for the opportunity to respond to this consultation. British Gas Trading supports the implementation of this modification proposal.

Like the many modifications of this nature that have gone before it, we consider that this proposal paves the way for potentially greater volumes of gas to enter the NTS. This can only serve to improve the GB's security of supply position, which in extreme circumstances could help to dampen price volatility.

Modification 0236 triggered analysis by National Grid to study the cumulative effects of lowering network entry specification down to the GS(M)R lower limit. Our understanding is that not only did that conclude that there is currently no real issue with GB network entry specifications, but that analysis also indicated that there was scope for further alignment of entry specifications to GS(M)R limits without causing undue NTS operational issues.

As well as security of supply benefits, paving the way for additional supplies into the market should serve to enhance competition between shippers.

Please contact me if you would like to discuss this response

Yours sincerely,

Chris Wright
Commercial Manager