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06 August 2009.

Your Reference: Modification Proposal 0256.

Re: Modification Proposal 0256 - Amendment to the Network Entry Agreement at St Fergus SAGE Terminal

Dear John,

Thank you for your invitation seeking representations with respect to the above Modification Proposal.

National Grid Gas Distribution plc (NGD) would like to offer support for this proposal.

The proposed widening of the upper and lower Wobbe limits within the Gas Entry Conditions at St Fergus SAGE Terminal has the potential to increase the amount of gas that is able to enter the UK whilst still complying with the requirements of GS(M)R.

This potential increase in the availability of gas would have a positive impact on security of supply whilst having minimal impact regarding CV shrinkage.

The intent of this Proposal is consistent with the facilitation of A11.1 (d) ... *the securing of competition: between relevant shippers...* by bringing the St Fergus Sage Terminal into line with the majority of other ASEPs and NTS Exit Points.

It is also consistent with A11.1 (e) ..*the provision of reasonable economic incentives for relevant suppliers to secure that the domestic customer supply security standards ... are satisfied as respects the availability of gas to their domestic customers.* Implementation of this Modification Proposal would facilitate additional sourcing of gas by removing an unnecessary barrier.

Please contact Andy Clasper on 01926 655299 (andy.clasper@uk.ngrid.com) should you require any further information with respect to the above.

Yours sincerely,

Richard Court
Commercial Manager, Distribution.