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13 April 2010

Dear Bob,

RE: Modification Proposal 0287 - Change System Capacity Transfers Notification Time Limit from 04.00 hours to 03.00 hours

E.ON UK does **not support** implementation of Modification Proposal 0287.

From a Shipper point of view, we see no benefits in this change, as it merely represents a reduction in the standard of service currently being offered (in the form of reduced flexibility for Shippers to perform capacity transfers). National Grid NTS has not put forward sufficient evidence to demonstrate that the current arrangements are creating problems for them or that they are unable to comply with the UNC. Consequently, we believe that National Grid's proposal to target 10% of implementation costs at Shippers is wholly inappropriate.

In addition, as we understand it, this proposal would apply to **both** exit and entry capacity transfers. However, the Modification Proposal states that: "all [implementation] costs to be met proportionately by Shipper Users based on their NTS Exit (Flat) Capacity holdings as at the 1st October 2012". We fail to understand why **only** Exit Users are targeted with costs relating to both Entry and Exit Users and hence we consider this to be an inappropriate cost allocation.

Yours sincerely,

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