

iGT UNC / iGT INC Consultation Response

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| Date | 07/10/10 |
| Reference | iGT031V Modification Proposal Consultation |
| Title | Amendment to AQ values present within the CSEP NExA Table to take account of revised Seasonal Normal Data (SND) |
| Respondee | British Gas |
| Position on the Modification | Support Modification |

Facilitation of the relevant objectives

How this proposal will, if implemented, better facilitate the “code relevant objectives”, as defined in Standard Condition 9 of the Gas Transporters Licence. For those answered Yes to, please provide a detailed explanation below the table.

| <i>Relevant Objective</i> | <i>Yes/No</i> |
|--|---------------|
| a. the efficient and economic operation of the pipe-line system to which this licence relates | Yes |
| b. so far as is consistent with sub-paragraph (a), the coordinated, efficient and economic operation of the pipe-line system of one or more other relevant gas transporters | Yes |
| c. so far as is consistent with sub-paragraphs (a) and (b), the efficient discharge of the licensee's obligations under this licence | Yes |
| d. so far as is consistent with sub-paragraphs (a) to (c) the securing of effective competition between relevant shippers and between relevant suppliers | Yes |
| e. so far as is consistent with sub-paragraphs (a) to (d), 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 | No |
| f. so far as is consistent with sub-paragraphs (a) to (e), the promotion of efficiency in the implementation and administration of the network code and/or the uniform network code referred to in paragraphs 2 and 5 respectively of this condition | No |

Relevant Objectives to be better facilitated:

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

Increased accuracy within the AQ values contained within the CSEP NExA AQ Table will improve the estimation of the amount of gas which is offtaken at the CSEP and subsequent energy allocation to Shippers over the gas pipeline. This in turn will result in increased accuracy of costs.

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Standard Special Condition A11.1(b): so far as is consistent with sub-paragraph (a), the coordinated, efficient and economic operation of :

(i) The combined pipe-line system, and/or

(ii) The pipe-line system of one or more other relevant gas transporters;

Increased accuracy within the AQ values contained within the CSEP NExA AQ Table will improve the estimation of off-take quantities at the CSEP.

Standard Special Condition A11.1(d): so far as is consistent with sub-paragraphs (a) to (c) the securing of effective competition:

(i) Between relevant shippers;

(ii) between relevant suppliers; and/or

(iii) between DN operators (who have entered into transportation arrangements with other relevant gas transporters) and relevant shippers;

Increased accuracy of AQ values will result in improved allocation of energy and costs between Shippers.

Likely impact on environment?

How this proposal will, if implemented, impact on greenhouse gas emissions?

Increased accuracy of AQ values will ensure costs are accurately incurred by Suppliers which in turn will be passed on to customers which will influence gas consumption overall.

Implementation issues including impact on your systems

This is not expected to impact our systems but will improve accuracy of gas off-take quantities.

Additional Information and Comments

Completed forms should be returned to the iGT UNC Representative, Gemserv Ltd at iGT-UNC@gemserv.com or faxed to 020 7090 1001