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13<sup>th</sup> September 2007

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Dear Sirs

**IGT UNC Modification 006 – Issue of estimated transportation invoices in the event of system failure**

Thank you for giving ScottishPower the opportunity to respond to the above Modification Proposal. ScottishPower support the implementation of this Modification. However, we have some comments, which have been outlined below.

ScottishPower believe this Modification is reasonable and agree that it is sensible to codify a formal contingency arrangement based on the current provisions of the UNC. Although we do support the Modification we feel transparency of the methodology that would be used to calculate the estimated invoices is essential. The Modification does state that an estimated invoice will be considered as valid, 'subject to the provision of supporting data and an explanation of the basis of estimation'. ScottishPower feel such transparency is required to allow Shippers to challenge any issues they may have in principal, thus, reducing the potential for invoice queries if they had to adopt this process. Given this we feel this has to be reflected within the legal text.

In addition, although the Modification proposes that the legal text could be based on the existing UNC provisions, with a copy of such provisions being contained within the Modification, it does not propose any legal drafting. ScottishPower would like to see legal drafting within the Draft Modification Report to allow this to be considered and reviewed. It seems sensible that the legal drafting will result in a new Defined Term for 'system failure'. This links to the section of the Modification that states, 'It is envisaged that planned downtime would constitute system failure'. ScottishPower believe that it has to be explicit within the legal drafting that planned downtime does not constitute a system failure. We would not support planned downtime constituting system failure.

Please do not hesitate to contact me should you wish to discuss this response further.

Yours sincerely

Lorraine McGregor  
Energy Commercial  
ScottishPower