

Debra Hawkin  
Regulatory Frameworks  
National Grid plc  
National Grid House  
Gallows Hill  
WARWICK  
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14 May 2009

**RE: NTS GCM15**

Dear Debra,

Centrica welcomes the opportunity to comment on the issues raised in the consultation on proposals for treatment of fees received by National Grid for reductions in entry capacity bookings.

Centrica agrees in principle with the proposal raised in GCM15, namely that money received in regard to baseline entry capacity should be treated as TO revenue and money received in regard to incremental and non-obligated entry capacity should be treated as SO revenue.

However GCM15 relates specifically to Network Code Modification 0246. At the time this consultation was raised there was only the original modification 0246 to be considered. Since that time alternatives to the original modification proposal have been raised and these do not all include a fee and those that do use different terminology. As there are now alternatives to modification 246 the term "Cancellation fees" could be misleading in future, therefore we consider that the proposal raised in GCM15 should not be implemented in the proposed timescale.

Instead it would be appropriate to wait until Network Code Modification 246 and its alternatives have completed due process, including Impact Assessment. At that point National Grid should review and re-consult on a proposal which is in line with the approved Network Code Modification.

Please do not hesitate to contact me should you require further information about any of these responses.

Regards,

Clive Woodland  
Planning & Analysis Manager