

Dominic Harrison
Regulatory Frameworks
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Dear Dominic,

Re: NTS GCD 03: Recovery of TO Allowable Revenue from Exit users from 1st October 2010

Thank you for the opportunity to comment on the above Pricing Consultation document. Statoil (UK) Ltd (STUK) would like to make the following comments.

Whilst STUK is not in support of reform of the exit arrangements and the implementation of UNC Modification 0116, it does believe that should 0116 be implemented into the UNC that the measures suggested in GCM 03 for the recovery of TO allowable revenue from exit users are acceptable.

The introduction of the NTS flat capacity auctions, as suggested in 0116, creates greater uncertainty over the NTS ability to fully recover its allowable revenue from the capacity that is booked. STUK agree that introducing a common approach at Exit as in place for Entry to ensure consistent recovery of price control allowed revenues is sensible. This would mean a single TO Exit Commodity charge to be levied on both Shipper and DNO Users at NTS Exit points for both the Flat and Flexible capacity products, with adjustments for over and under recovery being made separately to the TO Exit and Entry commodity charges.

STUK trust that our comments will be given due consideration and should you wish to discuss any aspect of this response further please contact me on the above number.

Yours sincerely,

Shelley Rouse
Statoil (UK) Ltd



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