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Dear Jan,

**Response to Gas Transmission Transportation Charging Methodology Consultation Document NTS GCM04: Introduction of NTS Exit (Flexibility) capacity charges under the Enduring Offtake Arrangements**

This response is on behalf of National Grid's distribution business.

If one of the regimes proposed under the various UNC Mod 116 proposals involving the sale of an exit flexibility product is introduced then we would support the proposal to apply a zero reserve price for all NTS exit zones for both the annual and daily auctions of NTS exit flexibility capacity.

Our support for this proposal should not be taken as giving support to any particular UNC Mod proposal or for the current definition of NTS exit flexibility capacity.

Yours sincerely,

Steve Armstrong