

3 The Square Stockley Park Uxbridge Middlesex UB11 1BN

Direct Dial: 0208 734 9356 Facsimile: 0208 734 9350

Nick Simpson Director, Modifications Office of Gas & Electricity Markets 9 Millbank London SW1P 3GE

2 June 2004

Dear Nick,

Thank you for providing the opportunity to comment on Ofgem's document "*Gas Retail Governance - Decision Document*", which encompasses the statutory licence amendment consultation.

Having been actively involved with the development of the SPAA from the outset, British Gas believes that it is an appropriate vehicle for enhancing the governance arrangements for the gas retail market, which in turn will provide benefits to a wide range of stakeholders, including customers. Against this background, I am pleased to advise you that British Gas intends to accept the proposed supply licence condition 34A.

Should you have any queries regarding our position at all, please do not hesitate to contact me directly on 0208 734 9356.

Yours sincerely

Chris Wright Regulatory Issues Manager