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Dear Ian

Gas Suppliers Licence Standard Condition 21 – Publication of Information to Customers

Thank you for the opportunity to respond to Ofgem's open letter on the issues associated with the above standard licence condition in the event that NGT sells one or more of its Distribution Networks (DNs).

For the reasons set out in Ofgem's letter of 20th August 2004, we agree that it is appropriate to review the obligations under Standard Licence Condition 21. We welcome Ofgem's conclusion that options One and Two are not viable because of the costs associated with amending systems to extract the relevant GT information.

Nevertheless for safety reasons, we continue not to support Ofgem's favoured Option Three. Whilst we welcome Ofgem's recognition that so long as companies have a telephone enquiry service number, they would be relived of the obligations under SLC 21(1), we continue to be concerned. Even with explicit notes explaining what a number is for, customers could become confused when seeking to report a gas escape and dial the NGT customer services number in error.

In our view there will be few reasons why a customer would need the details of their gas transporter on their bill. The very fact that that a customer is in possession of a bill will mean they have access to the detail of MPAN and their gas supplier. We therefore believe that the existing obligation in respect of providing GT contact details serves no purpose and is a relic of the previously integrated gas retail arrangements.

Whilst we welcome Ofgem's statement that it intends to review the requirements of SLC 21 as part of its review of supply licence obligations, we believe that the most appropriate resolution is for Ofgem to issue a direction under paragraph four of SLC 21 as soon as possible.

In the event that Ofgem does decide to continue with its proposed course of action we would propose that Suppliers be given more time to implement the system changes required to amend all customers' bills to comply with the proposed direction. Having undertaken a through review of the system changes required we will not be able to implement this change until the end of July 2005 at the earliest.

We hope that you will find the above helpful.

Yours sincerely

Rob McDonald

Director of Regulation