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Dear Andrew

Long Term Development Statements (LTDS)

Thank you for the opportunity to comment on the above proposals. I am responding on behalf of the consortium seeking to acquire the northern DN.

We welcome Ofgem's recognition that before increasing the scope of the LTDS that account will be taken of the additional costs, security implications and confidentiality concerns. I have not repeated comments on these issues in this response but this should not be taken as an indication that we no longer have these concerns

Ofgem specifically requested views on the scope of the LTDS as proposed in paragraph 8. In general, we are happy with the approach Ofgem is taking and have only the following comments on the proposal:

- The first bullet point refers to LTS plans. The equivalent table in the NGT 10 Year statement states length, diameter and cost of approved projects. We see no problem in continuing to provide this information. If extra detail were required then we would need to understand why this is necessary and investigate whether this could be provided at a reasonable cost.
- The second bullet point relies on the interpretation of significant. It would be useful to introduce a project cost of perhaps £0.5M, to limit the inclusion of a myriad of small projects.
- The final bullet point is a catch all clause and raises commercial concerns. If we are required to divulge our investment plans to contend with storage incentives or interruptible capacity, then we are putting that commercially sensitive information into the public domain. This could lead to an increase in costs of operating the network to the detriment of customers.

The consultation refers to the DN's adopting the same table of contents as Transco currently uses in the current 10 year statement. We do not believe this is appropriate as the Transco statement contains a section on the supply of gas that is appropriate for the NTS statement alone. The DN statement should focus on demand.

I hope you find this response helpful and if you wish to discuss please do not hesitate to give me a ring.

Yours sincerely

Stephen Parker

Regulation Manager