

Indra Thillainathan
Gas Distribution
Ofgem
9 Millbank
London
SW1P 3GE

21 July 2006

Dear Indra

Re: New entry arrangements for connecting to the gas distribution network: The interim arrangements for Holford storage facility

EDF Trading Limited (EDFT) wishes to submit the following in response to the above consultation document.

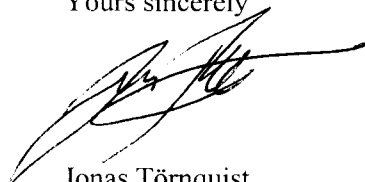
EDFT supports the introduction of the arrangements outlined in Ofgem's preferred proposal; Option 1. This option recognises that additional storage capacity should not be unnecessarily delayed, especially given the current lack of storage for the coming winter, and that a short term arrangement is needed to bridge the gap between the start up of Holford and the introduction of the long term arrangements programmed for October 2007. We understand that the current arrangements are not suitable for the interim period and a flexible yet cost effective solution is required to permit the facility to participate in the wholesale market.

EDFT believes that it is very important for the interim arrangements to provide the storage capacity holder with access to the NBP while not being overly complex, or compromising the introduction of longer term arrangements. It is essential that the interim arrangements are "fit for purpose" and meet the aspirations of the Holford capacity owners at low cost. In our view, Option 1 is consistent with these objectives and we support introducing this option.

We look forward to the publication of the Ofgem Licence consultation and the required UNC Modification Proposals. At this stage we are unclear as to why it is deemed necessary to specify an end date for these arrangements within UNC, as the interim arrangements should instead fall away when the long term arrangements are introduced. EDFT suggests that any future UNC Modification Proposals should not limit the life span of the interim arrangements as they will provide a fall-back in the event that the long term arrangements are delayed.

We trust you find our comments useful and if you have any questions then do not hesitate to get in touch.

Yours sincerely



Jonas Törnquist
Head of Transmission and Regulation