

29 August 2006

GDCPR Responses
Ofgem
9 Millbank
London
SW1 3GE

Dear sirs,

Re: Gas Distribution Price Control Review: Second Consultation

This letter is in response to Ofgem's Second Consultation Document on the Gas Distribution Price Control Review (GDPCR) published on 17 July 2006 and represents the views of The Gas Transportation Company limited (GTC) and GTC Pipelines Ltd (GPL).

GPL is an independent gas transporter (IGT) and operates a number of gas networks throughout the UK. As an IGT the charges that GPL levies on shippers for the use of its networks are subject to the relative price control imposed by Special Condition 1 of its Licence. In its initial consultation Ofgem has recognised that the outcome of the GDPCR will have implications for IGTs. Of particular concern to us is that such outcomes will compromise unfairly the revenue we are able to make under the relative price control.

Therefore, we would welcome assurances from Ofgem that, in undertaking the GDCPR, they will fully consider the implications of the outcomes on IGTs and take necessary actions to redress any negative impacts on IGTs as a consequence of the review.

Yours faithfully

Mike Harding
Regulation and Conformance Manager
GTC