

Indra Thillainathan  
Gas Distribution  
Ofgem  
9 Millbank  
London  
SW1P 3GE

9 February 2007

Dear Indra

**Re: New entry arrangements for connecting to the gas distribution network: Decision Document**

EDF Trading ("EDFT") is happy to submit the following in response to the above decision document.

EDFT supports the approach outlined by Ofgem believing it to be a pragmatic way forward consistent with that adopted at other connection points on the gas network. The development of a broad commercial framework underpinned by clear regulatory obligations, in our view, strikes the right balance in ensuring that participants have confidence in the regime, while providing the necessary flexibility to permit them to structure contracts best suited to their individual requirements.

As we highlighted in our response to the Proposals document, EDFT believes that two areas require further consideration by Ofgem.

Firstly, Ofgem duly recognizes that all facilities will require access to the NBP. For this reason, we continue to believe that such consideration should be made in the Licence drafting and not left to the UNC. We fail to understand why Ofgem believes that the UNC is the preferred location for this application and would welcome further elucidation on this assertion.

Secondly, EDFT recommended in the same response, that DNs should be required, through Licence, to produce a methodology which clearly lays out the determination of maximum available capacity. Without a degree of transparency it is difficult to envisage how an applicant would be able to challenge the "offer" provided by the DN. Again, we would welcome Ofgem's view on this proposal.

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

Yours sincerely

p.p.  C. LE TALLFC

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