

St Lawrence House Station Approach Horley Surrey RH6 9HJ

Jacob Kane Senior Analyst, Smarter Grids and Governance Ofgem 9 Millbank London SW1P 3GE

23 June 2014

Dear Jacob,

Consultation on modifying National Grid's charging methodology to change the conditions when an Advanced Reservation Capacity Agreement (ARCA) is required.

Scotia Gas Networks (SGN) welcomes the opportunity to respond to Ofgem on the above consultation.

SGN is supportive of Ofgem's proposals in this area and agrees with the proposed changes to National Grid Gas Distribution's (NGGD's) charging methodology statement.

SGN also considers the proposed threshold of £500,000 for when an ARCA will be required to be appropriate.

Yours sincerely,

Paul Mitchell Regulation Manager