

Policy Group

Sonia Brown,
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9 Millbank,
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Your reference: CD 129/05

Our reference:

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Direct line: 020 7717 6241

Dear Sonia

NATIONAL GRID TRANSCO – POTENTIAL SALE OF GAS DISTRIBUTION NETWORK BUSINESSES

As part of the Health and Safety Executive's (HSE) input into the potential sale of the gas distribution network businesses, HSE has reviewed the recent electronic consultation relating to the proposed commercial transaction - Final Proposals for Interim Incentives and Formal Consultation under Section 23 of the Gas Act 1986 (CD129/05).

Of the modifications made to the licence conditions applicable to the operation of the National Transmission System and the Distribution Networks that are of specific interest to HSE, it is noted that the wording has only been changed in respect of one of these conditions, namely Standard Special Condition A8 - Emergency Services and Enquiry Service Obligations. The change is only a minor one of clarification and does not change the obligations set out in the condition. HSE is therefore content with the proposals outlined in the consultation and its views remain the same as those expressed in its response to the original consultation in February (CD 45/05).

I can also confirm that HSE is content with the wording of Standard Special Condition A41 - Emergency Services to or on behalf of Another Gas Transporter and does not need to have an input into the Authority's proposed direction in relation to this condition, although it would be useful to receive details of this at the appropriate time.

I trust this satisfies Ofgem's requirements at this time, but HSE will continue to provide further information and input on safety related matters if required.

Yours sincerely,

Mike Leppard