

**To: National Grid Gas plc
Northern Gas Networks Limited
Scotland Gas Networks Limited
Southern Gas Networks Limited
Wales and West Utilities Limited,**

where they are in respect of the proposed modification relevant licence holders for the purposes of standard special condition A2 of the gas transporter licence.

NOTICE OF MODIFICATION OF THE STANDARD SPECIAL CONDITIONS OF GAS TRANSPORTER LICENCES UNDER STANDARD SPECIAL CONDITION A2

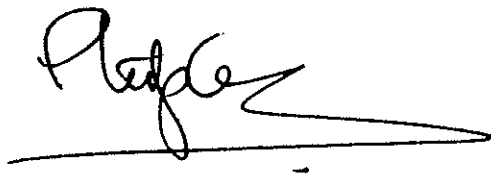
1. Each of the companies to whom this Notice is addressed holds a gas transporter licence granted, or treated as granted, pursuant to section 7 of the Gas Act 1986 (the "Act").
2. In accordance with paragraph 3(a) of Standard Special Condition A2 (Private Collective Licence Modification Procedure in respect of Standard Special Conditions applicable to both NTS and DN licensees), the Gas and Electricity Markets Authority (the "Authority") gives notice that it proposes to modify the Standard Special Conditions of:
 - (a) the gas transporter licence held by National Grid Gas plc in respect of its National Transmission System (the "NTS licence"); and
 - (b) the gas transporter licences held in respect of Distribution Network businesses (the "DN licences") by National Grid Gas plc in respect of its distribution business, Northern Gas Networks Limited, Scotland Gas Networks Limited, Southern Gas Networks Limited and Wales and West Utilities Limited.
3. It has come to the Authority's attention that a minor typographical amendment to Standard Special Condition A11 of the NTS licence and DN licences is required.
4. For the avoidance of doubt, the proposed licence modification does not change the substantive provisions of the Standard Special Conditions of the NTS licence and DN licences.
5. Any representations or objections to the proposed licence modifications may be made before 6 December 2007 and sent to:

Nigel Nash
Ofgem
9 Millbank
London SW1P 3GE

or by e-mail to Nigel.nash@ofgem.gov.uk
6. Only those licensees who are "relevant licence holders" under paragraph 1 of Standard Special Condition A2 of the NTS licence and DN licences may

register their formal objection to any proposed modification; although any person may make representations.

Philip Davies
Director – GB Markets
Duly authorised on behalf of the Gas and Electricity Markets Authority

A handwritten signature in black ink, appearing to read 'Philip Davies', with a long horizontal line extending to the right from the end of the signature.

6 November 2007

SCHEDULE

PROPOSED MODIFICATION OF THE STANDARD SPECIAL CONDITIONS OF GAS TRANSPORTER LICENCES APPLICABLE TO BOTH NTS AND DN LICENSEES UNDER STANDARD SPECIAL CONDITION A2

The Standard Special Conditions of the gas transporter licences are amended in accordance with the table below.

PROPOSED MODIFICATION

In Standard Special Condition A11 (Network Code and Uniform Network Code), in the first line of paragraph 1A, after "domestic" insert "customer".
