

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

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

**NOTICE OF THE REASONS FOR THE DECISION TO MODIFY THE  
STANDARD SPECIAL CONDITIONS OF GAS TRANSPORTER LICENCES  
UNDER SECTION 38A OF THE GAS ACT 1986**

1. Each of the companies to whom this Modification 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"):
  - (a) gave notice on 6 November 2007 (the "Notice") that it proposed to modify the Standard Special Conditions of:
    - (i) the gas transporter licence held by National Grid Gas plc in respect of its National Transmission System (the "NTS licence"); and
    - (ii) 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;
  - (b) published the Notice in the manner it considered appropriate;
  - (c) sent a copy of the Notice to the relevant licence holders, the Secretary of State, the Health and Safety Executive and the Council.
3. The Authority did not receive a direction from the Secretary of State not to make the proposed licence modification before the relevant date specified in the Notice.
4. The Authority received 3 representations in relation to the proposed licence modification before the relevant time specified in the Notice. The Authority has carefully considered all representations made in relation to the proposed licence modification and not withdrawn.

All non-confidential representations made in relation to the proposed licence modification are available free of charge from the Ofgem Research and Information Centre, 9 Millbank, London SW1P 3GE or from the Ofgem website at [www.ofgem.gov.uk](http://www.ofgem.gov.uk).

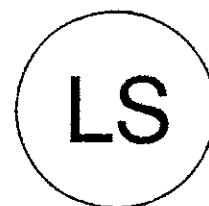
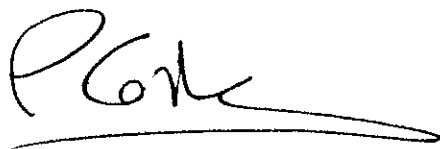
5. No notice of objection to the proposed licence modification was given to the Authority by a relevant licence holder before the relevant date specified in the Notice.
6. This Modification makes a minor typographical amendment to Standard Special Condition A11 of the NTS licence and DN licences.

**THEREFORE:**

In accordance with Standard Special Condition A2 of the gas transporter licence, the Authority hereby modifies the Standard Special Conditions of the gas transporter licences in accordance with the Schedule to this Modification with effect on and from 00:00 hours on 17 December 2007.

This document constitutes a notice of reasons for the decision to modify the Standard Special Conditions of the gas transporter licences under section 38A of the Act.

**The Official Seal of the Gas and Electricity Markets Authority here affixed is authenticated by the signature of:**



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

**14 December 2007**

**SCHEDULE**

**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.

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