

NOTICE UNDER SECTION 23 OF THE GAS ACT 1986

The Gas and Electricity Markets Authority (the "Authority") hereby gives notice pursuant to section 23 (3) of the Gas Act 1986 (the "Act") as follows:

1. The Authority proposes to modify the conditions of the gas transporter licence treated as granted to National Grid Gas plc ("NGG") in respect of its National Transmission System ("NTS") under section 7 of the Act by amending -
 - (a) Table 3 in Part A 2 c) (v) of Special Condition C8D *NTS gas entry incentives, costs and revenues* (the "Condition") in the manner set out in Appendix 1 of this Notice; and
 - (b) Table 7 in Part C 9 c) iii) (bb) of the Condition in the manner set out in Appendix 2 of this Notice.
2. The reason why the Authority proposes to make these licence modifications is to enable the licensee to offer entry capacity for sale in the Quarterly System Entry Capacity auctions in response to a request received by the licensee to create a new Aggregate System Entry Point at Portland.
3. The effects of the proposed licence modifications are to add -
 - (a) a new National Transmission System (NTS) entry point at Portland under NGG's NTS system operation activity revenue restrictions and more specifically, in relation to NGG's NTS system operator entry capacity investment incentive revenue as provided for in the Condition; and
 - (b) a new revenue driver for the new NTS entry point at Portland.
4. Any representations or objections to the proposed licence modifications must be made in writing (preferably in electronic form for ease of publication on the Ofgem website) before 28 May 2008 to Steve Smith, Managing Director – Networks, Office of Gas and Electricity Markets, 9 Millbank, London SW1P 3GE or by email to: gas.transmissionresponse@ofgem.gov.uk, and if a respondent does not wish its response to be made public, the response should be clearly marked as not for publication.



Steve Smith, Managing Director – Networks
Duly authorised on behalf of the Gas and Electricity Markets Authority
29 April 2008

Appendix 1

Special Condition C8D NTS gas entry incentives, costs and revenues
Part A: The Gas Entry Revenue Restriction Calculations
Paragraph 2 c) (v): Maximum revenue entitlement allowed in respect of
the release of incremental obligated entry capacity

Table 3

	£m/GWh/month	z=			
		1	2	3	4
i	Easington	0.0013	0.0019	0.0059	0.0044
	Bacton	0.0026	0.0057	0.0063	0.0072
	Isle of Grain	0.0029	0.0026	0.0047	0.0105
	Milford Haven	0.0088	0.0137	0.0116	0.0184
	St Fergus	0.0002	0.0054	0.0163	0.0126
	Teesside	0.0013	0.0013	0.0020	0.0072
	Barrow	0.0037	0.0014	0.0021	0.0081
	Theddlethorpe	0.0016	0.0000	0.0021	0.0068
	Burton Point	0.0013	0.0021	0.0013	0.0027
	Hole House Farm	0.0065	0.0001	0.0021	0.0041
	Barton Stacey	0.0052	0.0016	0.0016	0.0131
	Hatfield Moor	0.0019	0.0004	0.0035	0.0015
	Garton	0.0021	0.0021	0.0049	0.0015
	Cheshire	0.0008	0.0000	0.0006	0.0010
	Hornsea	0.0008	0.0012	0.0030	0.0030
	Fleetwood	0.0072	0.0000	0.0011	0.0053
	Burton Agnes (Caythorpe)	0.0031	0.0028	0.0058	0.0053
	Wytch Farm	0.0020	0.0007	0.0078	0.0032
	Blyborough (Welton)	0.0030	0.0013	0.0055	0.0037
	Winkfield	0.0021	0.0015	0.0054	0.0035
	Tatsfield	0.0039	0.0048	0.0075	0.0146
	Glenmavis	0.0011	0.0000	0.0005	0.0110
	Partington	0.0009	0.0002	0.0008	0.0012
	Avonmouth	0.0067	0.0024	0.0060	0.0088
	Dynevor Arms	0.0037	0.0081	0.0071	0.0205
	Albury	0.0180	0.0013	0.0056	0.0043
Palmers Wood	0.0073	0.0037	0.0075	0.0146	
Portland	0.0102	0.0030	0.0108	0.0118	

Appendix 2

Special Condition C8D NTS gas entry incentives, costs and revenues
Part C: Capacity release obligations
Paragraph 9 c) iii) (bb) Obligations to release entry capacity

Table 7

NTS Entry Point i	IBEnC_{i,m,h} (in GWh/day)
Bacton	1,783.4
Barrow	309.1
Easington	1,062.0
St. Fergus	1,670.7
Teesside	361.3
Theddlethorpe	610.7
Glenmavis	28.5
Partington	174.6
Avonmouth	179.3
Isle of Grain	175.0
Dynevor Arms	8.0
Hornsea	164.1
Hatfield Moor (storage)	14.9
Hatfield Moor (onshore)	0.3
Cheshire	285.9
Hole House Farm	131.6
Wytch Farm	3.3
Burton Point	73.5
Milford Haven	0
Barton Stacey	82.6
Garton	0
Burton Agnes (Caythorpe)	0
Winkfield	0
Blyborough (Welton)	0

Tatsfield	0
Albury	0
Palmers Wood	0
Fleetwood	0
Portland	0