

Notice under Sections 7(5) and 8(4) of the Gas Act 1986

This notice is issued by The Gas and Electricity Markets Authority ("the Authority") under sections 7(5) and 8(4) of the Gas Act 1986 ("the Act") in connection with an application for a gas transporter licence ("the Application") made by Wyre Gas Transportation Limited ('WGTL') for the conveyance of gas from a pipeline system operated by another gas transporter to the proposed Wyre Power Combined Cycle Gas Turbine (CCGT). The application was received by the Authority on 20 August 2008. In the Application, WGTL requested a number of modifications be made to the standard conditions of the licence on the grounds that:

- a. The pipeline will only be operated at high pressures;
- b. The short pipeline (approx 5km) will be sized to meet the needs of the project and will only run through open countryside and under the River Wyre.

The Authority has considered that request in accordance with Section 8(3) of the Act.

A. Notice under section 7(5)

1. The Authority proposes to grant a gas transporter licence ("the Licence") under Section 7(2) of the Act to WGTL (company number 06658221), whose registered office is situated at Uskmouth Power Station, West Nash Road, Nash, Newport, NP18 2BZ.
2. The Licence, if awarded, will authorise WGTL to convey gas through pipes from a pipeline system operated by another gas transporter in the area east of Thornton and the north of Hambleton, across the River Wyre to the proposed Wyre Power CCGT Power Station as shown on the map at Appendix 1.
3. The reasons why the Authority proposes to grant the Licence are:
 - a. to secure that the reasonable demands for gas in Great Britain are met; and
 - b. to secure effective competition in the supply of gas through pipes.

B. Notice under section 8(4)

4. If the Authority decides to grant the Licence to WGTL then the Authority proposes to modify the following licence conditions in an identical manner:
 - 4 – Charging of Gas Shippers - General
 - 4A – Obligations as Regards Charging Methodology
 - 4B – Connection Charging Methodology
 - 4C – Charging of Gas Shippers – Supplemental Connection Charges
 - 4E – Requirement to Enter into Transportation Arrangements in Conformity with Network Code
 - 5A – Information to be provided to the Designated Registrar of Pipes
 - 7 – Provision of Gas Illegally Taken
 - 8 – Provision and Return of Meters
 - 9 – Network Code
 - 14 – The Supply Point Administration Agreement
 - 16 – Pipe-Line System Security Standards
 - 17 – Provisions of Services for Specific Domestic Customer Groups
 - 18 – Arrangements for Access to Premises

- 19 – Procedure for Dealing with Complaints
- 20 – Payments in Relation to Standards of Performance
- 21 – Reporting on Performance
- 22 – Provision of Information During Unplanned Interruptions
- 27 – Adjustment of Amounts by Reference to the Retail Prices Index
- 28 – Termination of Shipping Arrangements
- 31 – Supply Point Information Service

5. The purpose and effect of the proposed modifications are that for each of the standard conditions modified:
- a. the standard condition shall not have effect in the licence until the Authority has issued a direction;
 - b. the Authority may issue a direction where, on the licensee's application, the Authority grants an extension to the licence; and
 - c. where the Authority issues a direction the standard conditions shall have effect to the extent and subject to the terms specified in the direction.

The proposed modifications are set out in Appendix 2.

6. The reasons for the proposed modifications are that, having considered the grounds stated above, the Authority is of the view that it is requisite to meet the circumstances of the particular case, in accordance with Section 8(3) of the Act, to modify the licence. Given the limited extent of the licence applied for it is not necessary for the conditions to be modified to be in effect. However, were the licence to be extended it may become necessary for those conditions to have effect.
7. Any representations or objections with respect to the proposed grant of the licence to WGTG, or in relation to the proposed modifications, may be made on or before 13 January 2009 and should be addressed to Catherine Wheeler at 9 Millbank, London, SW1P 3GE, or catherine.wheeler@ofgem.gov.uk.



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Mark Feather
 Duly authorised on behalf of the Authority

06 November 2008

Appendix 1



Note: Proposed pipeline in black, NTS pipeline in blue.

Appendix 2

Proposed amended standard conditions

Each of the standard conditions to be modified (listed below) shall have two paragraphs (set out below) inserted before what is currently the first paragraph. The numbering of the current paragraphs will change accordingly, with paragraph 1 becoming paragraph 3 and so on. For clarity Appendix 3 sets out the form of standard licence condition 14 once modified.

Paragraphs to be inserted (x will be replaced with the number of the final paragraph in each of the standard conditions):

- 1 Until the Authority has issued to the licensee a direction pursuant to paragraph 2, paragraphs 3 – x of this condition shall not have effect within this licence; and the licensee shall not be obliged to comply with any of the requirements in paragraphs 3 – x of this condition.
- 2 Where the Authority, on the licensee's application, grants an extension to this licence the Authority may issue a direction. When the Authority has issued to the licensee a direction paragraphs 3 – x of this condition shall have effect within this licence from the date specified in the direction; and the licensee shall be obliged to comply with the requirements of paragraphs 3 – x to the extent and subject to the terms specified in the direction.

Standard conditions to be modified:

- 4 – Charging of Gas Shippers - General
- 4A – Obligations as Regards Charging Methodology
- 4B – Connection Charging Methodology
- 4C – Charging of Gas Shippers – Supplemental Connection Charges
- 4E – Requirement to Enter into Transportation Arrangements in Conformity with Network Code
- 5A – Information to be provided to the Designated Registrar of Pipes
- 7 – Provision of Gas Illegally Taken
- 8 – Provision and Return of Meters
- 9 – Network Code
- 14 – The Supply Point Administration Agreement
- 16 – Pipe-Line System Security Standards
- 17 – Provisions of Services for Specific Domestic Customer Groups
- 18 – Arrangements for Access to Premises
- 19 – Procedure for Dealing with Complaints
- 20 – Payments in Relation to Standards of Performance
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Appendix 3

Proposed form of standard condition 14

Condition 14. The Supply Point Administration Agreement

- 1. Until the Authority has issued to the licensee a direction pursuant to paragraph 2, paragraph 3 of this condition shall not have effect within this licence; and the licensee shall not be obliged to comply with any of the requirements in paragraph 3 of this condition.**

- 2. Where the Authority, on the licensee's application, grants an extension to this licence the Authority may issue a direction. When the Authority has issued to the licensee a direction paragraph 3 of this condition shall have effect within this licence from the date specified in the direction; and the licensee shall be obliged to comply with the requirements of paragraph 3 to the extent and subject to the terms specified in the direction.**

- 3. The licensee shall become a party to and thereafter comply with those provisions of the Supply Point Administration Agreement relevant to it.**