

NOTICE OF MODIFICATION OF SPECIAL CONDITION C8D OF NATIONAL GRID GAS PLC'S GAS TRANSPORTER LICENCE IN RESPECT OF ITS NATIONAL TRANSMISSION SYSTEM 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 gas transmission licence held by National Grid Gas plc ("NGG") ("the Licence") in respect of its National Transmission System ("NTS") granted or treated as granted under section 7 of the Act by amending:
 - (a) table 3 in paragraph 2(c)(v) of special condition C8D 'NTS gas entry incentives, costs and revenues' ("the Condition") in the manner set out in Schedule A of this Notice, and
 - (b) table 7 in paragraph 9(c)(iv) of the Condition in the manner set out in Schedule B of this Notice
2. The reason why the Authority proposes to make these Licence modifications is to enable NGG to offer entry capacity for sale in the Quarterly System Entry Capacity auctions in response to a request received by NGG to create a new Aggregate System Entry Point at Canonbie. Further reasons for the values to be included in table 3 in paragraph 2(c)(v) of the Condition are set out in the decision letter 'Decision on determining revenue drivers for entry and exit points: Canonbie and Gilwern', with reference number 58/09, published on 29 May 2009.
3. The effects of the proposed modifications are to add:
 - (a) a new NTS entry point at Canonbie 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 Canonbie.
4. A copy of the proposed modifications and other documents referred to in this notice are available (free of charge) from the Ofgem library (telephone 020 7901 1600) or on the Ofgem website (www.ofgem.gov.uk).
5. Any representations or objections to the proposed licence modifications may be made on or before 26 June 2009] to Stuart Cook, Director – Transmission, Ofgem, 9 Millbank, London, SW1P 3GE or by e-mail to stuart.cook@ofgem.gov.uk.
6. All responses will normally be published on Ofgem's website and held in the Research and Information Centre. However, if respondents do not wish their response to be made public then they should clearly mark their response as not for publication. Ofgem prefers to receive responses in an electronic form so they can be placed easily on the Ofgem website.



Stuart Cook
Duly authorised on behalf of the Gas and Electricity Markets Authority

29 May 2009

Schedule A

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	
Canonbie	0.0020	0.0038	0.0072		

Schedule B

Special Condition C8D NTS gas entry incentives, costs and revenues
Part B – Attributing revenues from the sale of entry capacity to TOR and SOR
Paragraph 9(c)(iv) Obligations to release entry capacity

Table 7

NTS Entry Point i	For paragraph 9 (c) (ii)	For paragraph 9 (c) (iii)
	IBEnC_{i,m,h} (in GWh/day)	RIBEnC_{i,m,h} (in GWh/day)
Bacton	1,783.4	1,783.4
Barrow	309.1	309.1
Easington	1,062.0	1,062.0
St. Fergus	1,670.7	1,670.7
Teesside	361.3	476.0
Theddlethorpe	610.7	610.7
Glenmavis	28.5	99.0
Partington	174.6	215.0
Avonmouth	179.3	179.3
Isle of Grain	175.0	218.0
Dynevor Arms	8.0	49.0
Hornsea	164.1	175.0
Hatfield Moor (storage)	14.9	25.0
Hatfield Moor (onshore)	0.3	0.3
Cheshire	285.9	285.9
Hole House Farm	131.6	131.6
Wytch Farm	3.3	3.3
Burton Point	73.5	73.5
Milford Haven	0	0
Barton Stacey	82.6	82.6
Garton	0	0
Burton Agnes (Caythorpe)	0	0
Winkfield	0	0
Blyborough (Welton)	0	0
Tatsfield	0	0
Albury	0	0
Palmers Wood	0	0
Fleetwood	0	0
Portland	0	0
Canonbie	0	0