



Consumers and their
representatives, gas
transporters, gas shippers, gas
suppliers and other interested
parties

*Promoting choice and value for
all gas and electricity customers*

Direct Dial: 020 7901 7414
Email: Paul.ODonovan@ofgem.gov.uk

Date: 04 August 2010

Dear Colleague

Notice under Section 23(3) Gas Act 1986 - Proposed modification to Paragraph 9 (c) (iiv) of Special Condition C8D of National Grid Gas Plc's National Transmission System (NTS) Transporter licence to add an NTS entry point

Moffat is currently an exit point from the GB NTS, through which gas flows onto the Moffat interconnector from the UK to Ireland. Its physical configuration is such that it can only offer physical flow from the GB NTS. National Grid and Gas Link are currently discussing the possibility to offer an interruptible reverse flow product potentially later this year.

To facilitate this change, it is necessary to designate Moffat as an entry point to the NTS. It is therefore proposed that Moffat is designated an entry point with zero baseline capacity.

Proposed modification

Subject to consideration of any representations or objections to the notice of proposed modification outlined above and attached and having regard to the Authority's principal objective and statutory duties, the Authority proposes to modify the Licence as per the accompanying notice.

The proposed licence modification to paragraph 9 (c) (iiv) of Special Condition C8D is set out in Schedule A to the Notice that accompanies this letter. As confirmed in the Notice, any representations should be made to Ofgem by 15 September 2010.

Subject to any representations and NGG's consent, Ofgem aims to modify the licence in September.

If you have any comments or questions on this letter, please contact Paul O'Donovan on +44 20 7901 7414 or Paul.ODonovan@ofgem.gov.uk in the first instance.

Yours Sincerely

Martin Crouch
Partner, European Strategy

NOTICE OF PROPOSED MODIFICATION OF THE SPECIAL CONDITIONS OF NATIONAL GRID GAS PLC'S GAS TRANSPORTER LICENCE IN RESPECT OF ITS NATIONAL TRANSMISSION SYSTEM UNDER SECTION 23(3) 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. National Grid Gas ("NGG") holds a Gas Transporter Licence ("the Licence") in respect of its National Transmission System ("NTS") granted or treated as granted pursuant to section 7 of the Gas Act 1986.
2. In accordance with section 23(3) and (4) of the Act, the Gas and Electricity Markets Authority ("the Authority") gives notice that it proposes to modify Table 7 in paragraph 9(c)(iv) of the Condition in the manner set out in Schedule A of this Notice.
3. The effect of the proposed modification will be to designate Moffat as an entry point to the NTS with zero baseline capacity. Currently Moffat is only exit point from the GB National Transmission System (NTS)
4. The reason why the Authority proposes to make this licence modification is to ensure that interruptible reverse flow products can be offered at Moffat. This will enable additional transactions between Great Britain and Ireland, improve efficiency and benefit competition.
5. A copy of the proposed modification and other documents referred to in this notice are available (free of charge) from the Ofgem Research and Information Centre, 9 Millbank, London, SW1P 3GE (telephone 020 7901 7003) or on the Ofgem website (www.ofgem.gov.uk).
6. Any representations or objections to the proposed licence modification may be made in writing on or before 15 September 2010 and sent to:

Paul O'Donovan
OFGEM
9 Millbank
London
SW1P 3GE

or by email to gas.transmissionresponse@ofgem.gov.uk

7. 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.

Martin Crouch

**Duly authorised on behalf of the
Gas and Electricity Markets Authority**

04 August 2010

Schedule A

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

Table 7

	For paragraph 9 (c) (ii)	For paragraph 9 (c) (iii)
NTS Entry Point i	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
Moffat	0	0