



To all interested parties and stakeholders

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

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Date: 12 September 2011

Dear Colleague

### **Consultation on the addition of a new National Transmission System (NTS) exit point to National Grid Gas's (NGG's) gas transporter licence**

Ofgem has published a section 23 notice of modification to Annex A to Special Condition C8E (NTS gas exit incentives, costs and revenues) of NGG's gas transporter licence (the "Licence" hereon). The modification proposes to add a new exit point to the Licence.

This letter explains the background to the proposed modification and seeks views to the issues raised by it.

#### Background

Annex A of Special Condition C8E contains two tables which list all NTS exit points where exit capacity can be purchased by Shippers in the transitional<sup>1</sup> and enduring<sup>2</sup> exit capacity periods. NTS exit points must be listed in these tables to allow NGG to make exit capacity available to NTS users.

On 10 August 2011 NGG requested that we add a new exit point to the tables contained in Special Condition C8E Annex A. NGG stated the exit point should be called 'Hilltop (Hole House Farm)' and that the exit point be given a zero baseline capacity amount.

Attached in appendix 1 of the accompanying section 23 notice is a draft copy of Annex A of Special Condition C8E revised to include 'Hilltop (Hole House Farm)'. The Authority welcomes the views of stakeholders about the inclusion of this exit point.

When proposing to add a new exit point to the Licence the Authority must state if it considers the exit point in question to be a 'relevant point' as per Article 18(3) of the Gas Regulation (EC No 715/2009). Under Article 18(3), NGG is required to make available public information on the technical, contracted and available capacities at all 'relevant points' on a regular basis. The Authority considers that 'Hilltop (Hole House Farm)' should be considered a relevant point.

Appendix 1 of this letter contains a draft consolidated list of all NTS exit points considered to be 'relevant points'. The Authority welcomes the views of stakeholders about the proposed categorisation of 'Hilltop (Hole House Farm)' as a 'relevant point'.

<sup>1</sup> The Transitional period applies to the release of exit capacity up to and concluding on the 30 September 2012

<sup>2</sup> The Enduring period applies to the release of exit capacity from 1 October 2012

Consultation

Views on the issues raised in this letter and the accompanying section 23 notice are invited and should be forwarded to us by **10 October 2011**. If you have any questions about these proposals please contact James Thomson on [james.thomson@ofgem.gov.uk](mailto:james.thomson@ofgem.gov.uk) or 0141 331 6012.

Yours sincerely

A handwritten signature in black ink, appearing to read 'H Nixon', is centered on a light-colored rectangular background.

**Hannah Nixon**  
**Acting Senior Partner, Smarter Grids and Governance: Transmission**

**Signed on behalf of the Authority and authorised for that purpose**

## **APPENDIX 1 – LIST OF RELEVANT EXIT POINTS**

**Table 1: Relevant Points (Exit) on the NTS (Paragraph 3.2 of Chapter 3 of Annex 1 of the EC Gas Regulation - Information to be published in accordance with Article 18.3 and Paragraph 3.1 of Chapter 3 of Annex 1)**

Aberdeen
Alrewas (EM)
Alrewas (WM)
Armadale
Aspley
Asselby
Audley (NW)
Audley (WM)
Austrey
Avonmouth Max Refill
Aylesbeare
Bacton
Bacton (Baird)
Bacton (BBL)
Bacton (IUK)
Baldersby
Balgray
Barrow (Bains)
Barrow (Gateway)
Barton Stacey Max Refill (Humbly Grove)
Bathgate
Bishop Auckland
Blaby
Blackrod
Blyborough
Braishfield A
Braishfield B
Brisley
Broxburn
Burley Bank
Burnhervie
Caldecott
Cambridge
Careston
Caythorpe
Cirencester
Coffinswell
Coldstream
Corbridge
Cowpen Bewley
Crawley Down
Deborah Storage (Bacton)
Dowlais
Drointon

Drum
Dyffryn Clydach
Dynevor Max Refill
Easton Grey
Ecclestone
Elton
Evesham
Farningham
Farningham B
Fiddington
Ganstead
Garton Max Refill (Aldbrough)
Gilwern
Glenmavis
Glenmavis Max Refill
Gosberton
Great Wilbraham
Guyzance
Hardwick
Hatfield Moor Max Refill
<u>Hilltop (Hole House Farm)</u>
Hole House Max Refill
Holford
Holmes Chapel
Horndon
Hornsea Max Refill
Humbleton
Hume
Ilchester
Ipsden
Ipsden 2
Keld
Kenn
Kinknockie
Kirkstead
Langholm
Lauderhill
Leamington
Little Burdon
Littleton Drew
Lockerbie
Lower Quinton
Lupton
Luxborough Lane
Lyneham (Choakford)
Maelor
Malpas
Mappowder
Market Harborough

Matching Green
Melkinthorpe
Mickle Trafford
Milwich
Moffat (Irish Interconnector)
Netherhowcleugh
Pannal
Partington
Partington Max Refill
Paull
Peterborough Eye (Tee)
Peters Green
Peters Green South Mimms
Pickering
Pitcairngreen
Pucklechurch
Rawcliffe
Ross (SW)
Ross (WM)
Roudham Heath
Rough Max Refill
Royston
Rugby
Saltfleetby Storage (Theddlethorpe)
Saltwick Pressure Controlled
Saltwick Volumetric Controlled
Samlesbury
Seabank (DN)
Shorne
Shustoke
Silk Willoughby
Soutra
St Fergus
Stranraer
Stratford-upon-Avon
Stublach (Cheshire)
Sutton Bridge
Tatsfield
Thornton Curtis
Thrintoft
Towlaw
Towton
Tur Langton
Walesby
Warburton
West Winch
Weston Point
Wetheral
Whitwell

Winkfield (NT)
Winkfield (SE)
Winkfield (SO)
Yelverton

**Table 2: Single Final Customers and Production Facilities on the NTS (Paragraph 3.2(2) of Chapter 3 of Annex 1 of the EC Gas Regulation – Information to be published in aggregate format and to be published as two aggregate exit points, one for Power Stations and one for Industrial Offtakes)**

	<b>Power Station</b>	<b>Industrial Offtake</b>
Abson (Seabank Power Station phase I)	Y	
Bacton (Great Yarmouth)	Y	
Barking (Horndon)	Y	
Barrow (Black Start)		Y
Billingham ICI (Terra Billingham)		Y
Bishop Auckland (test facility)		Y
Blackness (BP Grangemouth)		Y
Blyborough (Brigg)	Y	
Blyborough (Cottam)	Y	
Brine Field (Teesside) Power Station	Y	
Burton Point (Connahs Quay)	Y	
Caldecott (Corby Power Station)	Y	
Carrington (Partington) Power Station	Y	
Centrax Industrial		Y
Cockenzie Power Station	Y	
Coryton 2 (Thames Haven) Power Station	Y	
Deeside	Y	
Didcot A	Y	
Didcot B	Y	
Drakelow Power Station	Y	
Eastoft (Keadby Blackstart)	Y	
Eastoft (Keadby)	Y	
Enron Billingham	Y	
Epping Green (Enfield Energy, aka Brimsdown)	Y	
Ferny Knoll (AM Paper)		Y
Goole (Guardian Glass)		Y
Gowkhall (Longannet)	Y	
Grain Power Station	Y	
Harwarden (Shotton, aka Shotton Paper)		Y
Hatfield Power Station	Y	
Hollingsgreen (Hays Chemicals)		Y
Langage Power Station	Y	
Marchwood Power Station	Y	

Medway (aka Isle of Grain Power Station, NOT Grain Power)	Y	
Middle Stoke (Damhead Creek, aka Kingsnorth Power Station)	Y	
Pembroke Power Station	Y	
Peterborough (Peterborough Power Station)	Y	
Phillips Petroleum, Teesside		Y
Pickmere (Winnington Power, aka Brunner Mond)	Y	
Roosecote Power Station (Barrow)	Y	
Rosehill (Saltend Power Station)	Y	
Ryehouse	Y	
Saddle Bow (Kings Lynn)	Y	
Saltend BPHP (BP Saltend HP)		Y
Sandy Lane (Blackburn CHP, aka Sappi Paper Mill)		Y
Seabank (Seabank Power Station phase II)	Y	
Sellafield Power Station	Y	
Shellstar (aka Kemira, not Kemira CHP)		Y
Shotwick (Bridgewater Paper)		Y
Spalding 2 (South Holland) Power Station	Y	
St. Fergus (Peterhead)	Y	
St. Fergus (Shell Blackstart)		Y
St. Neots (Little Barford)	Y	
Stallingborough (phase 1)	Y	
Stallingborough (phase 2)	Y	
Stanford Le Hope (Coryton)	Y	
Staythorpe PH1	Y	
Staythorpe PH2	Y	
Sutton Bridge Power Station	Y	
Teesside (BASF, aka BASF Teesside)		Y
Teesside Hydrogen		Y
Terra Nitrogen (aka ICI, Terra Severnside)		Y
Thornton Curtis (Humber Refinery, aka Immingham)		Y
Thornton Curtis (Killingholme)	Y	
Tilbury Power Station	Y	

Tonna (Baglan Bay)	Y	
Upper Neeston (Milford Haven Refinery)		Y
West Burton Power Station	Y	
Weston Point (Castner Kelner, aka ICI Runcorn)		Y
Weston Point (Rocksavage)	Y	
Willington Power Station	Y	
Wragg Marsh (Spalding)	Y	
Wyre Power Station	Y	
Zeneca (ICI Avecia, aka 'Zenica')		Y