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for energy consumers

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Date: 24 May 2013

Dear Andrew,

**Entry Capacity Release Methodology Statement: Accompanying Statement**

Thank you for your letter of 3 May 2013 asking to be relieved of the requirement in Special Condition 9B.9 of your gas transporter licence to provide a statement from an Independent Examiner to accompany the Entry Capacity Release Methodology Statement (the "ECR") for 2013/14.

In your letter you explain that significant changes to the ECR are likely to be proposed this year, but that these changes do not reflect changes in the way that capacity is obtained by Users and how incremental capacity is determined for release. For the 2013 review you do not anticipate material changes being proposed to existing processes and methodologies. Consequently you consider that an Examination of the methodology will provide little or no benefit to Ofgem, National Grid or the wider industry.

You also note that the ECR has been in place for about 10 years, including when it was limited to incremental capacity and referred to as the Incremental Entry Capacity Release methodology statement (IECR). As you note, this was last subject to audit in 2011. We understand that there have been no changes to this methodology since then nor have there been incremental signals.

We have carefully considered your request and have decided to grant consent not to provide a statement from an Independent Examiner pursuant to Special Condition 9B.9 in this instance. We agree that a statement from an Independent Examiner based on the evidence available to date would provide little additional information regarding compliance with your duties under the gas transporter licence and the Gas Act 1986.

Please find a formal consent attached to this letter. Both documents are available on our website.

Yours sincerely,

**Andrew Burgess**

**Associate Partner, Transmission and Distribution Policy**