

The Company Secretary National Grid Gas plc 1-3 Strand London WC2N 5EH

Consent given to National Grid Gas plc by the Gas and Electricity Markets Authority pursuant to Special Condition 9B.9 of the gas transporter licence in respect of the National Transmission System

- 1. This Consent is given by the Gas and Electricity Markets Authority (the "Authority") pursuant to Special Condition 9B.9 of the gas transporter licence in respect of the National Transmission System (the "Licence") granted or treated as granted under Section 7 of the Gas Act 1986 (the "Act") to National Grid Gas plc (the "Licensee").
- Special Condition 9B.6 provides that the Licensee must prepare and submit for approval by the Authority capacity release methodology statements that are consistent with the Licensee's duties under the Act and its obligations under the Licence. Special Condition 9B.8 indicates that the methodology statements must be reviewed at least once in every two years.
- 3. Special Condition 9B.9 provides that unless the Authority otherwise consents in writing, the methodology statements must be accompanied by a statement from an Independent Examiner, confirming that they have carried out an Examination, the scope and objectives of which must have been established by the Licensee and approved by the Authority and giving an opinion as to the extent to which the Licensee has developed a methodology that is consistent with its duties under the Gas Act and its obligations under the Licence.
- 4. On 3 May 2013 the Licensee requested that the Authority grant a Consent relieving it of the requirement under Special Condition 9B.9 to provide a statement from an Independent Examiner accompanying the Entry Capacity Release Methodology Statement (the "ECR") and set out the reason for that request.
- 5. The reason why the Licensee requested the Consent is that although the ECR is being reviewed and changed, these changes do not reflect changes in the way in which capacity is to be obtained and how incremental capacity is determined for release. As a result an Examination of the ECR by an Independent Examiner would provide little or no benefit to Ofgem, National Grid or the wider industry.

- 6. The Authority, having regard to reason set out above, hereby consents to the Licensee submitting the ECR for the period 2013-14 unaccompanied by a statement by an Independent Examiner as required under Special Condition 9B.9.
- 7. This Consent constitutes notice of the reasons for the Authority's decision pursuant to section 38A of the Act.

Dated: 24 May 2013

Andrew Burgess

Associate Partner, Transmission and Distribution Policy
Signed on behalf of the Authority and authorised for that purpose by the Authority