

Interested parties and
stakeholders

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Statutory consultation on adding new National Transmission System exit points to National Grid Gas Transmission's gas transporter licence and on the categorisation of exit points

On 11 November, we¹ published a section 23 notice of modification to Part G of Special Condition 5G of National Grid Gas Transmission's (NGGT's) gas transporter licence. The modification would add three new exit points to its gas transporter licence. We are also proposing correcting "Theddlethorpe" to "Theddlethorpe" and changing "Kintore" to "Glasgoforest".

EU Gas Regulation² requires us to decide whether any new exit points should be classified as relevant points. For relevant points, NGGT is required to make information about capacity available to the public. We agree with NGGT's proposal that the new exit points Apache (Sage Black Start) and Trafford Power Station should not be classified as relevant points. Seal Sands TGPP³ should be classified as a relevant point as it may not be connected to a single final customer.

Further, we agree with NGGT's proposal that another exit point, Kintore (to be renamed Glasgoforest) should not be classified as a relevant point. This point has already been included in NGGT's gas transporter licence.

This letter explains the background to the proposed modification.

Changes to the licence

Table 8 in Special Condition 5G, Part G, lists all National Transmission System (NTS) exit points where exit capacity can be bought by shippers. NTS exit points must be listed in this table to allow NGGT to make exit capacity available to NTS users.

On 9 July 2014 NGGT requested that we add three new exit points, shown below, to this table.

¹ The Authority is supported by the Office of Gas and Electricity Markets (Ofgem). The terms 'the Authority', 'Ofgem' and 'we' are used interchangeably. Ofgem is the Office of the Gas and Electricity Markets.

² Regulation (EC) No 715/2009 of the European Parliament and of the Council of 13 July 2009 on conditions for access to the natural gas transmission networks and repealing Regulation (EC) No 1775/2005 <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:02009R0715-20130601&qid=1409835755981&from=EN>

³ Teesside Gas Processing Plant

Offtake Point	Type of Offtake	Enduring flat Baseline (GWh/d)
Apache (Sage Black Start)	DC ⁴	0
Seal Sands TGPP	DC	0
Trafford Power Station	DC	0

NGGT is not requesting a revenue driver at present for any of these new exit points. We propose that these three exit points should be added to the licence. The new draft text can be found in Appendix 1 to the section 23 notice.

We are also proposing correcting the spelling of the exit point "Saltfleetby Storage (Theddlethorpe)", which is misspelt in the current text. NGGT has requested changing the name of the exit point "Kintore" to "Glasgoforest". These amendments are shown in the text of the proposed licence modification.

Other proposed changes to the licence

Respondents should note that we are currently consulting on other changes to Special Condition 5G of NGGT's licence, to facilitate the implementation of Planning and Advanced Reservation of Capacity Agreements (PARCAs).⁵ There is no direct policy interaction between the changes proposed in this consultation and the proposals designed to facilitate PARCAs. The final text following the conclusion of both consultations will have changes to implement PARCAs which are not shown in the draft attached to this letter.

Classification of relevant points

When we add new exit points to the licence, we must, in accordance with Article 18.3 of the EU Gas Regulation, consider if they are 'relevant points'.⁶ This Regulation requires Transmission System Operators (TSO) to make information on the technical, contracted and available capacities at all relevant points available to the public on a regular basis. Points which are connected to a single final customer are exempt from this obligation, as publishing the information outlined above could have commercial confidentiality impacts. The TSO will publish aggregated information for points which fall outside the definition of the relevant point.

Kintore/Glasgoforest

The exit point at Kintore (to be renamed Glasgoforest) was added to NGGT's transportation licence in April 2013. We agree with NGGT that it should not be considered as a relevant point as it is connected to a single final consumer. NGGT have said it should be listed as an Industrial Offtake.

Apache (Sage Black Start) and Trafford Power Station

We agree that Apache (Sage Black Start) and Trafford Power Station should not be considered relevant points, as NGGT have said they are connected to a single final customer. NGGT have said that Apache (Sage Black Start) should be listed as an Industrial Offtake and Trafford Power Station should be listed as a Power Station. Not defining them as relevant points would be in line with previous treatment of DC offtake points.

Seal Sands TGPP

We think Seal Sands TGPP should be considered a relevant point. NGGT have said that Seal Sands will be defined as a Connected System Exit Point for the purposes of the Uniform Network Code. Once gas is delivered from the NTS to Seal Sands it may be transported downstream to other gas customers through an Independent Gas Transporter. In our view, this means that there may be more than one single final customer at Seal Sands TGPP.

⁴ Direct Connect

⁵ <https://www.ofgem.gov.uk/publications-and-updates/proposed-licence-modification-special-licence-conditions-1a-2a-5f-5g-and-11c-national-grid-gas-transmission%E2%80%99s-licence-implement-planning-and-advanced-reservation-capacity-agreements>

⁶ 'Relevant point' is defined in Paragraph 3.2 of Chapter 3 of Annex 1 to the EU Gas Regulation.

Tables showing all relevant points and non-relevant points can be found in Appendix 1 to this consultation. We welcome stakeholders' views about the classification of these exit points.

Consultation

Views on the issues discussed in this letter and the accompanying section 23 notice should be sent to Hannah Mottram, at Ofgem, 9 Millbank, London, SW1P 3GE, or by email to gas.transmissionresponses@ofgem.gov.uk by 10 December 2014. Unless marked confidential, we will publish all responses on our website.

Yours sincerely

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APPENDIX 1 – LIST OF RELEVANT EXIT POINTS

Table 1: Relevant Points (Exit) on the NTS – Information published in accordance with requirements of the EU Gas Regulation⁷

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

⁷ Information to be published in accordance with Article 18.3 and Paragraph 3.1 of Chapter 3 of Annex 1 to the EU Gas Regulation in relation to relevant points as defined in Paragraph 3.2 of Chapter 3 of Annex 1.

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
Hill Top Farm (Hole House Farm)
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)
Seal Sands TGPP
Shorne
Shustoke
Silk Willoughby
Soutra
St Fergus
Stranraer
Stratford-upon-Avon
Stublach (Cheshire)
Sutton Bridge
Tatsfield
Thornton Curtis (DN)
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 - Information published in accordance with requirements of the EU Gas Regulation⁸

	Power Station	Industrial Offtake
Abson (Seabank Power Station phase I)	Y	
<u>Apache (Sage Black Start)</u>		<u>Y</u>
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
<u>Glasgoforest</u>		<u>Y</u>
Goole (Guardian Glass)		Y
Gowkhall (Longannet)	Y	
Grain Power Station	Y	
Harwarden (Shotton, aka Shotton Paper)		Y
Hatfield Power Station	Y	

⁸ 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 (Paragraph 3.2(2) of Chapter 3 of Annex 1 of the EC Gas Regulation)

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	
<u>Trafford Power Station</u>		<u>Y</u>
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