



Making a positive difference  
for energy consumers

To independent gas transporters and other network operators, generators, shippers, suppliers, consumers and their representatives, the sustainable development community, investors and other interested parties.

Direct Dial: 020 7901 7072  
Email: [paul.darby@ofgem.gov.uk](mailto:paul.darby@ofgem.gov.uk)

Date: 1 May 2015

Dear Colleague,

**Statutory consultation on proposed modifications to insert Special Condition C1 (Charging of Gas Shippers – Relative Price Control) into the Gas Transporter Licence held by Energy Assets Pipelines Ltd and to amend Standard Licence Condition 4A (Obligations as Regards Charging Methodology) of that licence**

The notices published with this letter set out the Authority's proposal to modify the Gas Transporter Licence held by Energy Assets Pipelines Limited ('the Licensee') by inserting into the licence a Special Condition C1 (Charging of Gas Shippers – Relative Price Control) ('SC1') and amending Standard Licence Condition 4A (Obligations as Regards Charging Methodology) ('SLC 4A').

**Reason**

The reasons why the Authority proposes to make this licence modification are to:

- i) regulate the Licensee's charges for the use of its pipeline system; and
- ii) ensure that the charging methodology adopted by the Licensee serves to exclude revenue derived from charges controlled by SC1 from the reasonable profit objective set out in paragraph 6 of SLC 4A.

**Next steps**

The closing date for responses to our Statutory Consultation Notice is 12 June 2015.

If you have any queries on the matters referred to in this letter please contact Paul Darby in Ofgem's Regulatory Finance team ([paul.darby@ofgem.gov.uk](mailto:paul.darby@ofgem.gov.uk)).

Yours faithfully,

Ian Rowson  
Associate Partner, Regulatory Finance