

To: National Grid Gas Plc (NTS)

**Gas Act 1986
Section 23(1)(a)**

Modification of special condition 5G of the gas transporter licence held by National Grid Gas plc

1. National Grid Gas Plc (National Transmission System)(NGG(NTS)) is the holder of a gas transporter licence ('the Licence') granted or treated as granted under section 7 of the Gas Act 1986 ('the Act').
2. Under section 23(2) of the Act the Gas and Electricity Markets Authority ('the Authority')¹ gave notice on 18 March 2016 ('the Notice') that we propose to modify Part F of Special Condition 5G of the Licence. We stated that any representations to the modification proposal must be made on or before 15 April 2016.
3. A copy of the Notice was sent to the Secretary of State in accordance with section 23(4)(b) of the Act, and we have not received a direction that the change should not be made.
4. We received one response to the Notice, which we carefully considered. Our response is set out in the accompanying letter.
5. We are making this licence change at the request of NGG(NTS) who plans to add three new NTS Exit Points to the Licence.
6. The effect of the modification will be to add "Palm Paper", "Kinneil CHP" and "St Fergus Segal" as new exit points to Table 8 in Part F of Special Condition 5G. A modified Table 8 is contained in Schedule 1 of this modification.
7. Where an application for permission to appeal our decision is made to the Competition and Markets Authority (CMA) under section 23B of the Act, Rule 5.7 of the CMA's Energy Licence Modification Appeals Rules² requires that the appellant must send to any relevant licence holders who are not parties to the appeal a non-confidential notice setting out the matters required in Rule 5.2. Schedule 2 of this document provides a list of the relevant licence holders in relation to this modification. Section 23(10) of the Act sets out the meaning of 'relevant licence holder'.

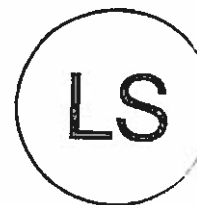
Under the powers set out in section section 23(1)(a) of the Act, we hereby modify special condition 5G of the gas transporter licence of NGG(NTS) in the manner specified in attached Schedule 1. This decision will take effect from 15 August 2016.

This document is notice of the reasons for the decision to modify the gas transporter licence held by NGG(NTS) as required by section 38A of the Act.

¹ The terms "the Authority", "we" and "us" are used interchangeably in this document.

² The rules were published by the Competition Commission in September 2012. On 1 April 2014, the Competition Commission was abolished and its functions transferred to the CMA.

**The Official Seal of the Gas and Electricity Markets Authority
here affixed is authenticated by the signature of**



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**Frances Warburton, Partner, Energy Systems Division
Duly authorised on behalf of the
Gas and Electricity Markets Authority**

17 June 2016

Schedule 1 – Licence drafting

Special Condition 5G. Determination of Incremental Obligated Exit Capacity volumes and the appropriate revenue drivers to apply

Part F: Non-incremental Obligated Exit Capacity

5G.30 Non-incremental Obligated Exit Capacity will be the sum of Licence Baseline Exit Capacity as set out in Table 8 below adjusted for Exit Capacity Substitution and Legacy TO Exit Capacity from the date that the revenue entitlement in accordance with Special Condition 3A (Restriction of NTS System Operation Revenue) has ceased.

5G.31 Licence Baseline Exit Capacity is set out in Table 8.

Table 8: Licence Baseline Exit Capacity

Offtake Point	Type of Offtake	Enduring flat baseline (GWh/d)
Bacton	GDN (EA)	3.66
Brisley	GDN (EA)	3.11
Cambridge	GDN (EA)	0
Great Wilbraham	GDN (EA)	35.59
Matching Green	GDN (EA)	92.31
Peterborough Eye (Tee)	GDN (EA)	25.45
Roudham Heath	GDN (EA)	25.46
Royston	GDN (EA)	2.70
Whitwell	GDN (EA)	161.87
West Winch	GDN (EA)	12.26
Yelverton	GDN (EA)	64.61
Alrewas (EM)	GDN (EM)	139.87
Blaby	GDN (EM)	13.40
Blyborough	GDN (EM)	79.33
Caldecott	GDN (EM)	11.08
Thornton Curtis (DN)	GDN (EM)	118.15
Drointon	GDN (EM)	74.27
Gosberton	GDN (EM)	15.23
Kirkstead	GDN (EM)	1.21
Market Harborough	GDN (EM)	9.48
Silk Willoughby	GDN (EM)	3.53
Sutton Bridge	GDN (EM)	1.71
Tur Langton	GDN (EM)	65.67
Walesby	GDN (EM)	0.97
Asselby	GDN (NE)	3.92
Baldersby	GDN (NE)	1.34
Burley Bank	GDN (NE)	20.31
Ganstead	GDN (NE)	23.15

Pannal	GDN (NE)	148.41
Paull	GDN (NE)	38.14
Pickering	GDN (NE)	9.38
Rawcliffe	GDN (NE)	3.55
Towton	GDN (NE)	80.73
Bishop Auckland	GDN (NO)	62.13
Coldstream	GDN (NO)	1.96
Corbridge	GDN (NO)	0.07
Cowpen Bewley	GDN (NO)	52.12
Elton	GDN (NO)	38.27
Guyzance	GDN (NO)	2.19
Humbleton	GDN (NO)	0.16
Keld	GDN (NO)	1.89
Little Burdon	GDN (NO)	17.75
Melkinthorpe	GDN (NO)	1.77
Saltwick Pressure Controlled	GDN (NO)	9.22
Saltwick Volumetric Controlled	GDN (NO)	69.07
Thrintoft	GDN (NO)	5.16
Towlaw	GDN (NO)	0.55
Wetheral	GDN (NO)	29.11
Horndon	GDN (NT)	46.41
Luxborough Lane	GDN (NT)	165.3
Peters Green	GDN (NT)	151.86
Peters Green South Mimms	GDN (NT)	197.12
Winkfield (NT)	GDN (NT)	15.91
Audley (NW)	GDN (NW)	12.14
Blackrod	GDN (NW)	166.49
Ecclestone	GDN (NW)	21.14
Holmes Chapel	GDN (NW)	22.19
Lupton	GDN (NW)	16.23
Malpas	GDN (NW)	0.99
Mickle Trafford	GDN (NW)	29.08
Partington	GDN (NW)	87.63
Samlesbury	GDN (NW)	110.99
Warburton	GDN (NW)	110.62
Weston Point	GDN (NW)	30.64
Aberdeen	GDN (SC)	23.09
Armadale	GDN (SC)	3.01
Balgray	GDN (SC)	11.4
Bathgate	GDN (SC)	24.22
Broxburn	GDN (SC)	60.80
Burnhervie	GDN (SC)	22.38
Careston	GDN (SC)	3.05
Drum	GDN (SC)	77.04
St Fergus	GDN (SC)	0.88

Glenmavis	GDN (SC)	145.79
Hume	GDN (SC)	1.22
Kinknockie	GDN (SC)	2.35
Langholm	GDN (SC)	0.15
Lauderhill	GDN (SC)	1.79
Lockerbie	GDN (SC)	5.7
Netherhowcleugh	GDN (SC)	0.2
Pitcairngreen	GDN (SC)	1.59
Soutra	GDN (SC)	4.19
Stranraer	GDN (SC)	0.68
Farningham	GDN (SE)	135.12
Farningham B	GDN (SE)	0
Shorne	GDN (SE)	67.06
Tatsfield	GDN (SE)	276.46
Winkfield (SE)	GDN (SE)	106.26
Braishfield A	GDN (SO)	107.28
Braishfield B	GDN (SO)	46.65
Crawley Down	GDN (SO)	0
Hardwick	GDN (SO)	118.68
Ipsden	GDN (SO)	12.39
Ipsden 2	GDN (SO)	14.25
Mappowder	GDN (SO)	47.68
Winkfield (SO)	GDN (SO)	71.86
Aylesbeare	GDN (SW)	22.68
Cirencester	GDN (SW)	8.97
Coffinswell	GDN (SW)	5.15
Easton Grey	GDN (SW)	29.60
Evesham	GDN (SW)	6.57
Fiddington	GDN (SW)	25.95
Ilchester	GDN (SW)	34.96
Kenn	GDN (SW)	15.43
Littleton Drew	GDN (SW)	2.47
Lyneham (Choakford)	GDN (SW)	50.30
Pucklechurch	GDN (SW)	25.79
Ross (SW)	GDN (SW)	4.53
Seabank (DN)	GDN (SW)	60.74
Alrewas (WM)	GDN (WM)	128.48
Aspley	GDN (WM)	84.65
Audley (WM)	GDN (WM)	21.83
Austrey	GDN (WM)	87.81
Leamington	GDN (WM)	4.26
Lower Quinton	GDN (WM)	29.91
Milwich	GDN (WM)	21.63
Ross (WM)	GDN (WM)	16.52
Rugby	GDN (WM)	80.08
Shustoke	GDN (WM)	44.76
Stratford-upon-Avon	GDN (WM)	4.68
Maelor	GDN (WN)	57.56

Dowlais	GDN (WS)	112.18
Dyffryn Clydach	GDN (WS)	42.78
Gilwern	GDN (WS)	52.74
Abson (Seabank Power Station phase I)	DC	36.59
Air Products (Teeside)	DC	0
Apache (Sage Black Start)	DC	0
Bacton (Great Yarmouth)	DC	20.04
Barking (Horndon)	DC	58.59
Barrow (Black Start)	DC	0
Billingham ICI (Terra Billingham)	DC	43.54
Bishop Auckland (test facility)	DC	0
Blackness (BP Grangemouth)	DC	27.29
Blyborough (Brigg)	DC	16.89
Blyborough (Cottam)	DC	17.54
Brine Field (Teesside) Power Station	DC	0
Burton Point (Connahs Quay)	DC	73.21
Caldecott (Corby Power Station)	DC	21.12
Carrington (Partington) Power Station	DC	0
Cockenzie Power Station	DC	0
Coryton 2 (Thames Haven) Power Station	DC	0
Centrax Industrial	DC	0
Deeside	DC	28.48
Didcot	DC	137.76
Drakelow Power Station	DC	0
Eastoft (Keadby Blackstart)	DC	2.38
Eastoft (Keadby)	DC	36.06
Enron Billingham	DC	121.51
Epping Green (Enfield Energy, aka Brimsdown)	DC	18.41
Ferny Knoll (AM Paper)	DC	1.08
Fordoun CNG Station	DC	0

Glasgoforest	DC	0
Goole (Guardian Glass)	DC	1.62
Gowkhall (Longannet)	DC	43.32
Grain Power Station	DC	0
Harwarden (Shotton, aka Shotton Paper)	DC	11.59
Hatfield Power Station	DC	0
Hollingsgreen (Hays Chemicals)	DC	3.25
<u>Kinneil CHP</u>	<u>DC</u>	<u>0</u>
Langage Power Station	DC	0
Marchwood Power Station	DC	0
Medway (aka Isle of Grain Power Station, NOT Grain Power)	DC	38.12
Middle Stoke (Damhead Creek, aka Kingsnorth Power Station)	DC	40.94
Moffat (Irish Interconnector)	INTERCONNECTOR	433.4
<u>Palm Paper</u>	<u>DC</u>	<u>0</u>
Pembroke Power Station	DC	0
Peterborough (Peterborough Power Station)	DC	23.28
Phillips Petroleum, Teesside	DC	3.69
Pickmere (Winnington Power, aka Brunner Mond)	DC	15.38
Roosecote Power Station (Barrow)	DC	14.73
Rosehill (Saltend Power Station)	DC	57.83
Ryehouse	DC	38.66
Saddle Bow (Kings Lynn)	DC	17.98
Saltend BPHP (BP Saltend HP)	DC	9.1
Sandy Lane (Blackburn CHP, aka Sappi Paper Mill)	DC	4.55

Seabank (Seabank Power Station phase II)	DC	19.1
Seal Sands TGPP	DC	0
Sellafield Power Station	DC	12.35
Shellstar (aka Kemira, not Kemira CHP)	DC	16.24
Shotwick (Bridgewater Paper)	DC	5.52
Spalding 2 (South Holland) Power Station	DC	0
<u>St Fergus Segal</u>	<u>DC</u>	<u>0</u>
St. Fergus (Shell Blackstart)	DC	0
St. Fergus (Peterhead)	DC	108.3
St. Neots (Little Barford)	DC	35.2
Stallingborough	DC	66.5
Stanford Le Hope (Coryton)	DC	36.61
Staythorpe	DC	76.24
Sutton Bridge Power Station	DC	37.47
Teesside (BASF, aka BASF Teesside)	DC	9.75
Teesside Hydrogen	DC	6.61
Terra Nitrogen (aka ICI, Terra Severnside)	DC	13.1
Thornton Curtis (Humber Refinery, aka Immingham)	DC	46.89
Thornton Curtis (Killingholme)	DC	81.22
Tilbury Power Station	DC	0
Tonna (Baglan Bay)	DC	26.75
Trafford Power Station	DC	0
Upper Neeston (Milford Haven Refinery)	DC	0
West Burton Power Station	DC	0
Weston Point (Castner Kelner, aka ICI Runcorn)	DC	11.7
Weston Point (Rocksavage)	DC	38.19
Willington Power Station	DC	0

Wragg Marsh (Spalding)	DC	42.02
Wyre Power Station	DC	0
Zeneca (ICI Avecia, aka 'Zenica')	DC	0.11
Bacton (Baird)	STORAGE SITE	0
Barrow (Bains)	STORAGE SITE	0
Barrow (Gateway)	STORAGE SITE	0
Caythorpe	STORAGE SITE	0
Deborah Storage (Bacton)	STORAGE SITE	0
Hatfield Moor Max Refill	STORAGE SITE	30.21
Hill Top Farm (Hole House Farm)	STORAGE SITE	0
Holford	STORAGE SITE	0
Hole House Max Refill	STORAGE SITE	119.58
Partington Max Refill	STORAGE SITE	2.41
Saltfleetby Storage (Theddlethorpe)	STORAGE SITE	0
Stublach (Cheshire)	STORAGE SITE	0
Glenmavis Max Refill	STORAGE SITE	1.62
Barton Stacey Max Refill (Humbly Grove)	STORAGE SITE	100.94
Avonmouth Max Refill	STORAGE SITE	2.3
Dynevor Max Refill	STORAGE SITE	2.61
Garton Max Refill (Aldbrough)	STORAGE SITE	211.01
Hornsea Max Refill	STORAGE SITE	22.43
Rough Max Refill	STORAGE SITE	160
Bacton (IUK)	INTERCONNECTOR	623.58
Bacton (BBL)	INTERCONNECTOR	0

Schedule 2 – Relevant Licence Holders³

National Grid Gas Plc (National Transmission System)

³ Gas licence holders are listed at: <https://www.ofgem.gov.uk/publications-and-updates/all-gas-licensees-registered-addresses>