

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 9A.7 and 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 Conditions 9A.7 and 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").
2. Special Condition 9A.6 of the Licence provides that the Licensee must, if so directed by the Authority, and in any event at least once in every two years, review the current methodologies and Capacity Methodology Statements in consultation with specific parties and then seek to make such modifications to the methodologies and Capacity Methodology Statements as it considers reasonably necessary to better facilitate achievement of the capacity objectives.
3. Special Condition 9B.8 of the Licence provides that the Licensee must, if so directed by the Authority and, in any event at least once in every two years, review the current capacity release methodology statements. Special Condition 9B.10 provides that the Licensee must, except where the Authority directs in writing, send a copy of the proposed modifications to the Authority and consult with specific parties before modifying the capacity release methodology statements.
4. Special Conditions 9A.7 and 9B.9 of the Licence provides that, unless the Authority otherwise consents in writing, the methodologies and Capacity Methodology Statements, or capacity release 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.
5. In its letter dated 22 November 2016 the Licensee requested that the Authority consents under that Special Conditions 9A.7 and 9B.9 to the Licensee submitting the Entry Capacity Release Methodology, Exit Capacity Release Methodology, Entry Capacity Substitution, Exit Capacity Substitution and Revision Methodology, and Entry Capacity Transfer and Trade Methodology Statements updated to reflect new processes to release incremental capacity at Interconnection Points unaccompanied by a

statement from an Independent Examiner. That letter set out the reasons for that request.

6. The considerations and reasons for the Authority's decision are set out below, in accordance with the requirements of the Gas Act 1986 section 38A(1)(c):
 - a. We understand no material changes will be proposed as part of this review.
 - b. The changes being made to the Statements are mostly to reflect new capacity arrangements which will be set out in the Uniform Network Code.
 - c. On this basis we agree that little additional benefit would be gained from receiving a statement from an Independent Examiner at this time.
7. The Authority hereby consents to the Licensee submitting the Statements listed in paragraph 5 to reflect new processes to release incremental capacity at Interconnection Points unaccompanied by an Independent Examiner's Statement in accordance with Special Conditions 9A.7 and 9B.9 of the Licence.
8. Note that should circumstances change in the future we may reconsider our consent, in particular if the proposed modifications to the methodologies or Statement actually submitted contain additional and unanticipated changes beyond those to the substitution lead times.

Dated: 19 January 2017



Chris Brown
Head of Gas Systems Integration

Signed on behalf of the Authority and authorised for that purpose by the Authority