

To: National Grid Gas plc

**Gas Act 1986
Section 23(2)**

Notice of statutory consultation on a proposal to modify the Special Condition 2A and Special Condition 11C of the gas transporter licence held by National Grid Gas plc

1. The Gas and Electricity Markets Authority ('the Authority')¹ proposes to modify the special conditions of the gas transporter held by National Grid Gas plc granted or treated as granted under Section 7 of the Gas Act 1986 by amending Special Condition 1A and Special Condition 11C.
2. We are proposing these modifications to make sure the gas transporter licence held by National Grid Gas plc is aligned with the processes to allocate incremental capacity at interconnector points set out in the Uniform Network Code and gas capacity methodology statements.
3. The effect of these proposed modifications is set out in Annex A. The changes will amend existing definitions related to Planning and Advanced Reserved Capacity Agreement Process contained in Special Condition 1A and Special Condition 11C. In particular by amending:
 - Special Condition 1A: changing the definitions for 'PARCA' and 'PARCA Applicant' so that they refer to the Uniform Network Code European Interconnection Document
 - Special Condition 11C: changing the definition of 'PARCA activities' so that it cross references to Table 4B in Special Condition 5F.27 and Table 8 in Special Condition 5G.31, and refers to the Uniform Network Code European Interconnection Document.
4. A copy of the proposed modifications and other documents referred to in this Notice have been published on our website (www.ofgem.gov.uk). Alternatively they are available from foi@ofgem.gov.uk.
5. Any representations with respect to the proposed licence modifications must be made on or before 29 August 2017 to: James Thomson, Office of Gas and Electricity Markets, Cornerstone, 107 West Regent Street, Glasgow, G2 2BA or by email to james.thomson@ofgem.gov.uk.
6. We normally publish all responses on our website. However, if you do not wish your response to be made public then please clearly mark it as not for publication. We prefer to receive responses in an electronic form so they can be placed easily on our website.
7. If we decide to make the proposed modifications they will take effect not less than 56 days after the decision is published.

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Chris Brown
Duly authorised on behalf of the Gas and Electricity Markets Authority
1 August 2017

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

ANNEX A: PROPOSED DRAFTING OF AMENDED LICENCE TEXT

Special Condition 1A. Definitions

PARCA	<u>means any (i) "PARCA" as that expression is defined in the Uniform Network Code and (ii) agreement between the Licensee and a PARCA Applicant relating to the reservation and allocation of Entry Capacity or Exit Capacity under the Uniform Network Code, European Interconnection Document, Section E.</u> has the meaning given to that term in the Network Code.
PARCA Applicant	<u>means any (i) "PARCA Applicant" as that expression is defined in the Uniform Network Code and (ii) person applying to reserve and then be allocated Entry Capacity or Exit Capacity under the Uniform Network Code, European Interconnection Document, Section E.</u> has the meaning given to that term in the Network Code

Special Condition 11C. Services treated as Excluded Services

ES7. PARCA activities: This category consists of the works relating to the initial investigations and assessment of technical options for the provision of Entry Capacity or Exit Capacity carried out by the Licensee pursuant to a PARCA, which will culminate with the provision of a Phase 1 PARCA Works Report to the PARCA Applicant prior to entering into a PARCA, which may lead to the provision of a Phase 1 PARCA Works Report to the PARCA Applicant, or in the case of the provision of Entry Capacity or Exit Capacity at a point described in Table 4B in Special Condition 5F.27 as an interconnection point, or in Table 8 in Special Condition 5G.31 as an interconnector, which may lead to the provision of a joint notice published under the Uniform Network Code, European Interconnection Document Section E.