



Making a positive difference  
for energy consumers

National Grid Gas Plc, all other  
parties with an interest in  
balancing on the GB gas network

Direct Dial: 020 263 9982

Email: [Chris.Thackeray@ofgem.gov.uk](mailto:Chris.Thackeray@ofgem.gov.uk)

Date: 04 February 2020

Dear colleague,

**Decision on the proposed modification of Special Condition 8I of National Grid Gas Plc's Gas Transporter Licence to amend all references to 'Gas Deficit Warning' (GDW) to 'Gas Balancing Notification' (GBN)**

In October 2019 we<sup>1</sup> published a statutory consultation<sup>2</sup> on proposed modifications to National grid Gas Plc's ("NGG") gas transporter licence ("the Licence")<sup>3</sup>. We invited views on proposed modification to the Licence in respect of proposing to amend all references in the licence to 'Gas Deficit Warning' ("GDW") with 'Gas Balancing Notification' ("GBN"), to align the licence with the Uniform Network Code ("UNC").

Following the closure of the statutory consultation, and having considered the proposed changes further, we have decided to implement the licence modifications as set out in the Schedule 1 of the decision notice published on our website alongside this letter. Our decision to make these licence changes will take effect from 01 April 2020.

---

<sup>1</sup> The use of "we", "us" and "our" refers to the Authority. The Authority refers to GEMA, the Gas and Electricity Markets Authority. The Office of Gas and Electricity Markets (Ofgem) supports GEMA in its day to day work.

<sup>2</sup> Statutory consultation on proposed modifications to National Grid Gas plc's gas transporter licence:  
<https://www.ofgem.gov.uk/publications-and-updates/statutory-consultation-proposed-modification-special-condition-8i-national-grid-gas-plc-s-gas-transporter-licence-amend-all-references-gas-deficit-warning-qdw-gas-balancing-notification-gbn>

<sup>3</sup> National Grid Gas plc (NTS), Gas Transporter Licence, Special Conditions:  
[https://epr.ofgem.gov.uk//Content/Documents/National%20Grid%20Gas%20Plc%20-%20Special%20Conditions%20Consolidated%20-%20Current%20Version.pdf?utm\\_source=ofgem&utm\\_medium=&utm\\_term=&utm\\_content=licencecondition&utm\\_campaign=epr](https://epr.ofgem.gov.uk//Content/Documents/National%20Grid%20Gas%20Plc%20-%20Special%20Conditions%20Consolidated%20-%20Current%20Version.pdf?utm_source=ofgem&utm_medium=&utm_term=&utm_content=licencecondition&utm_campaign=epr)

## **The Modifications**

On 24 July 2019, we published our decision to approve UNC685<sup>4</sup>, proposed by NGG, to amend the name of a 'Gas Deficit Warning' to a 'Gas Balancing Notification'. The meaning of the newly named term 'Gas Balancing Notification' is identical to the current term 'Gas Deficit Warning'.

The modifications will mean alignment between the Licence and the UNC, and allow NGG to accept Demand Side Response offers where a Gas Balancing Notification is in place. The effect of Special Condition 8I remains unchanged in that the licensee must still maintain and develop a gas balancing system.

## **Responses to our Statutory Consultation**

We received one response to our statutory consultation. The response was not marked as confidential and has been published on our website.

The respondent was supportive of the proposed changes. As the proposer of modification UNC685, which implemented the change of name of the GDW to GBN they supported this subsequent proposed amendment to the Licence to align the terminology with that now contained in the UNC.

## **Our Decision and next steps**

Having considered the response that we received to our statutory consultation, we have decided to proceed with the proposed modifications to the gas transporter licence as set out in Schedule 1 of the decision notice published on our website alongside this letter.

We have published the decision notice on our website alongside this letter. The licence changes will come into effect on 01 April 2020.

Yours faithfully,

*Chris Thackeray*

**Chris Thackeray, Head of GB Wholesale Markets**

**For and on behalf of the Gas and Electricity Markets Authority**

---

<sup>4</sup> Our decision to approve UNC685: Amendment of the UNC term 'Gas Deficit Warning' to 'Gas Balancing Notification':  
<https://www.ofgem.gov.uk/publications-and-updates/unc685-amendment-unc-term-gas-deficit-warning-gas-balancing-notification>