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Date: 7 July 2020

Dear Nicola,

CV34 6DA

Approval of National Grid Gas Plc's ("NGG") proposal for Saltholme Power Station (DC) Exit Point to be excluded from the definition of "relevant points"

Thank you for your letter and report received on 5 March 2020 on the classification of a relevant point under the EU Gas Regulation for a new NTS Exit Point in which you proposed that Saltholme Power Station (DC) Exit Point (the "Exit Point") should be excluded from the definition of "relevant points". We¹ have decided to approve this proposal.

Background

Under Article 18(3) of Gas Regulation (EC) No. 715/2009 (the "Regulation")², classification as a "relevant point" requires NGG as the Transmission System Operator to make information on the technical, contractual and available capacity available to the public on a regular and rolling basis. In accordance with Article 18(4) of the Regulation, consultation with network users and approval by Ofgem of the classification of new NTS Exit Points as "relevant points", or not, is required.

Proposal

Your report sets out your proposal that Saltholme Power Station should be defined as a Power Station which is connected to a single final customer and therefore excluded from

¹ The terms "we", "us", "our" and "the Authority" are used to refer to the Gas and Electricity Markets Authority. ² Regulation (EC) No 715/2009 of the European Parliament and of the Council of 13 July 2009 on conditions for access to the natural gas transmission networks and repealing Regulation (EC) No 1775/2005 [https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX%3A32009R0715]

the definition of "relevant points". Saltholme Power Station is a new power station proposed to be built in the North East. On 20 January 2020, the Exit Point was added to the Zero Licence Baseline Exit Capacity table³. Exclusion from the definition of "relevant points" would mean that the Exit Point is exempt from having information on technical, contractual matters and available capacities made public on a regular basis.

Our decision

In view of your letter and report, the Authority considers that NGG has complied with its licence and EU Gas Regulation by its consultation on the Exit Point with network users from 28 January 2020 to 28 February 2020, and subsequent submission of a report to the Authority.

In respect of approval of the Exit Point as a "relevant point" pursuant to Article 18(4), we recognise that Saltholme Power Station is connected to a single final customer. As outlined in Paragraph 25 of the Regulation, confidentiality requirements for commercially sensitive information are particularly relevant where Exit Points are connected to a single industrial final customer, and classification of Saltholme Power Station as a relevant point would allow for commercially sensitive contractual and technical information to be published.

We therefore approve the proposal to exclude Saltholme Power Station (DC) Exit Point from the definition of "relevant points".

Yours sincerely,

David O'Neill Head of Gas Systems

For and on behalf of the Gas and Electricity Markets Authority

³ In accordance with National Grid Gas Plc (NTS) Gas Transporter Licence, Special Condition 5G.31.