

Cadent Gas Limited
Northern Gas Networks Limited
Scotland Gas Networks Plc
Southern Gas Networks Plc
Wales & West Utilities Limited
National Grid Gas Plc

Direct Dial: 020 901 7471

Email: duncan.innes@ofgem.gov.uk

Date: 19/03/2021

Dear Network Companies,

## <u>Direction under Part B of Standard Special Condition A57 (Exit Capacity Planning)</u> to issue the Exit Capacity Planning Guidance.

- 1. Each of the companies to whom this direction is addressed is the holder of a licence granted or treated as granted under section 7 of the Gas Act 1989.
- In accordance with paragraph 7 of Standard Special Condition A57 (Exit Capacity Planning), on 17<sup>th</sup> December 2020 the Gas and Electricity Markets Authority ("the Authority")<sup>1</sup> published on its website the text of the proposed Exit Capacity Planning Guidance and stated that representations must be made on or before 29<sup>th</sup> January 2021.
- 3. We received three responses, which we have carefully considered. We have published these responses on our website. Our response to the comments received is set out in the issues log, which can be found <a href="https://example.com/here">here</a>.
- 4. We have made a number of changes to the proposed text as a result of the consultation responses, with our reasons set out in the issues log. Where we have decided not to make changes, our reasons for that are also set out in the issues log. The full text of the Exit Capacity Planning Guidance as well as a track change version compared with that published on 17<sup>th</sup> December 2020 can be found here.
- 5. The reason for this direction is to give effect to our decision in Final Determinations that licensees should comply with the Exit Capacity Planning Guidance when planning and managing its exit capacity booking process, as required by Part A of Standard Special Condition A57.
- 6. This direction is our notice of reasons for the purposes of section 38A of the Gas Act 1986.

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 $<sup>^{1}</sup>$  The terms "the Authority", "we" and "us" are used interchangeably in this document.

7. Now the Authority pursuant to the provisions of Special Condition 1.1 (Interpretation and definitions) and Standard Special Condition A57 hereby directs that the Exit Capacity Planning Guidance is issued and will have effect from1st April 2021.

For more information regarding this Direction you should contact Duncan Innes duncan.innes@ofgem.gov.uk



## Michael Wagner

Deputy Director, Gas Sector, Systems & Networks

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