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for energy consumers

National Grid Gas Plc, all those with an
interest in capacity on the gas
transmission system

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Dear Colleagues,

Modification of National Grid Gas Plc's (NTS) Gas Transporter Licence to add a new National Transmission System (NTS) exit point

We¹ have decided to modify Part F of Special Condition 5G (Determination of Incremental Obligated Exit Capacity volumes and the appropriate revenue drivers to apply and the creation of Zero Licence Baseline Capacity Exit Points) of National Grid Gas Plc's (NTS) Gas Transporter Licence ("the Licence").² This modification was proposed in our statutory consultation published on 12 June 2020, to which we invited responses by 10 July 2020.³ The modification decision is published on our website alongside this letter. The changes, outlined below, will take effect from 12 September 2020.

The Modification

The modification will add one new NTS exit point to the Licence. We are adding "Saltholme Power Station" as a new exit point to Table 8: Licence Baseline Exit Capacity in Part F of Special Condition 5G which concerns Non-incremental Obligated Exit Capacity.⁴ A modified Table 8 is contained in Appendix 1 of the modification decision document.

¹ The terms "we", "us" and "our" and "the Authority" are used to refer to the Gas and Electricity Markets Authority.

² 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>

³ <https://www.ofgem.gov.uk/publications-and-updates/statutory-consultation-proposed-addition-new-exit-point-national-grid-gas-plc-nts-gas-transporter-licence>

⁴ Saltholme Power Station is currently on the Zero Licence Baseline Exit Capacity Table, but as baseline capacity has been requested at this exit point, NGG proposed the modification to add Saltholme Power Station to Table 8, Licence Baseline Exit Capacity in Part F of Special Condition 5G. Saltholme Power Station shall be removed from the Zero Licence Baseline Exit Capacity Table as part of this modification to the Licence in accordance with Special Condition 5G.31(D)(b). <https://www.nationalgrid.com/uk/gas-transmission/uk/gas/document/130166/download>

Responses to our Statutory Consultation

We received one response to our statutory consultation from National Grid Gas Plc (“the Licensee”), which has been published on our website. The Licensee supported the proposed modification as outlined in the consultation, and confirmed that from when the proposed licence change will take effect, “Saltholme Power Station” NTS exit point will have no baseline capacity allocated, and as such its Enduring Flat Baseline quantity will be listed as zero. Following the statutory consultation, we have not made any changes to the Licence text we proposed in the statutory consultation.

If you have any questions regarding this letter or the modification decision, please contact Max Lambert at the email address above or on 0207 901 3105.

Yours sincerely,

David O’Neill
Head of Gas Systems

For and on behalf of the Gas and Electricity Markets Authority