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Subject  
**BBL Company's response to National Gas Transmission's  
Consultation on ECS, ExCS and ECTT Methodology Statements  
and Re-consultation on ECR Methodology Statement**

Dear Chris,

Thank you for the opportunity to respond to your revised proposals for changes to National Gas Transmission's (NGT) Entry Capacity Release (ECR) Methodology Statement.

BBL Company (BBLC) recognises many of the 'drivers for change' highlighted in your letter dated 13<sup>th</sup> February 2023. In particular, the geopolitical events in Ukraine have had unprecedented effects on the European gas industry resulting in a significant change in the traditional direction of flows of gas. For example, the last 12 months have seen a significant increase in the flows of gas through the Interconnectors from GB to Europe. This has enabled Europe to absorb the loss of gas supplies from Russia and has bolstered security of supply in Europe. In many cases the additional demands for gas have been met via shipments through GB's LNG terminals.

All gas delivery points have a role to play in maintaining supplies to the European market. The Milford Haven LNG terminal provides a link between the European energy market and the wider international gas market and, as such, it plays an important role in maintaining diversity, and security of supply. BBLC therefore considers that it is important, for the efficient operation of the GB and European energy markets to avoid discouraging the delivery of LNG cargos to Milford Haven.

Any adverse perception of the ability of the Milford Haven LNG terminals to accept LNG supplies, in comparison with other competing LNG facilities in Europe, whether warranted or not, is likely to adversely influence LNG stakeholders' decisions on whether or not to deliver gas to GB. This in turn will affect both NBP and TTF price setting. BBLC has noted NGT's efforts to adapt its initial proposed changes to entry capacity release at the Milford Haven ASEP for summer 2023. However, it is clear, from feedback given at the various NGT led industry workshops, that uncertainty remains over the likelihood, size and eventual timings of any entry capacity curtailments at Milford Haven.

BBLC believes that such market uncertainty could discourage parties from utilising the Milford Haven LNG terminal with, as a consequence, negative side effects on commodity prices and on Security of Supply for both the GB and European gas markets.

NGT, as both the Transmission Owner and System Operator, has the responsibility for the provision of NTS Entry capacity. BBLC therefore expects NGT to take all available steps to ensure the optimal availability of entry capacity and to provide to the market timely and relevant information in respect of any proposed constraint action in relation to the Milford Haven LNG facility to avoid the above risks to market prices and security of supply.

Yours sincerely,

A handwritten signature in blue ink, appearing to be 'Rudi Streuper', written in a cursive style.

Rudi Streuper  
Commercial Manager