

The Joint Office, Relevant
Gas Transporters, shippers and other
interested parties

Sarah Lloyd
Senior Commercial Analyst

sarah.lloyd@nationalgrid.com
Direct tel +44 (0)1926 654246
Direct fax +44 (0)1926 656604

23 June 2014

www.nationalgrid.com

Dear Colleague

Consultation on “The Entry Capacity Transfer and Trade Methodology Statement”.

Special Condition 9A of National Grid Gas plc’s (“National Grid”) Gas Transporter Licence in respect of the NTS (the “Licence”) sets out obligations to prepare and submit for approval by the Authority entry capacity transfer and entry capacity trade methodology statements setting out the methodologies that National Grid will use to facilitate entry capacity transfers and entry capacity trades. National Grid considers that it is appropriate to prepare a single document (the “Methodology Statement”) to meet these obligations.

A comprehensive review of the Methodology Statement was undertaken in 2013 and industry views were sought regarding whether there were any changes required. No updates were identified by National Grid or by industry during this review. National Grid has since reviewed the current methodology statement and is not proposing any significant changes at this time. Minor changes have been identified to bring the methodology statement into line with the revised Licence for the RIIO-T1 period. In accordance with the above Licence condition National Grid is required to consult with Shippers and other interested parties on its proposals before submitting them to the Authority for approval. This letter therefore provides notice of the proposed Entry Capacity Transfer and Trade Methodology Statement and invites views on the proposal.

In accordance with the Licence, National Grid has produced an annual report on the application and implementation of the Capacity Methodology Statements, including the Entry Capacity Transfer and Trade Methodology Statement, during the previous formula year. National Grid issued this report to Ofgem on 27th May 2014. It is also available on the National Grid website at:

<http://www2.nationalgrid.com/uk/industry-information/gas-capacity-methodologies/entry-capacity-transfer-and-trade-methodology-statement/>

A copy of the proposed Methodology Statement (v6.1) and a comparison to the current version (v6.0) accompanies this letter and should be read in conjunction with the relevant sections of UNC.

Responses to this consultation should arrive at National Grid no later than 17:00 on 21st July 2014. They should be sent by e-mail to:
box.transmissioncapacityandcharging@uk.ngrid.com.

Please copy to sarah.lloyd@nationalgrid.com and request a “read receipt” to confirm delivery.

Alternatively they can be sent by post to the above address marked for the attention of:
“Sarah Lloyd
Transmission Network Service – Floor B3”

Responses will be placed on National Grid's website and incorporated within the consultation conclusions report. If you wish your response to be treated as confidential then please mark it clearly to that effect.

Yours sincerely
Sarah Lloyd