

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

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19 December 2007

Dear Colleague

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

Special Condition C8D of National Grid’s Gas Transporter Licence in respect of the NTS sets out obligations to prepare and submit for approval by the Authority capacity transfer and capacity trade methodology statements setting out the methodologies that National Grid NTS will use to facilitate capacity transfers and capacity trades. National Grid NTS considers that it is appropriate to prepare a single document (the “Methodology Statement”) to meet these obligations.

On 31<sup>st</sup> August 2007 National Grid NTS submitted its proposed Methodology Statement to the Authority for approval, which the Authority provided on 6<sup>th</sup> September 2007. This methodology was used in respect of the transfer and trades facilitated through the TTSEC introduced through UNC modification proposal 169.

Modification proposal 169 allowed capacity transfers and trades for the winter of 2007/08. Beyond that period National Grid has put forward a further proposal<sup>1</sup> which can be found on the Joint Office website at: <http://www.gasgovernance.com/Code/Modifications/LiveMods/>.

National Grid NTS is proposing to revise the Methodology Statement to align to the modification proposal and is obliged to consult with relevant shippers prior to submitting modifications to the Authority for approval. This letter therefore notifies shippers of the proposed Entry Capacity Transfer and Trade Methodology Statement and invites views on the proposal.

A copy of the proposed Methodology Statement accompanies this letter and should be read in conjunction with the associated UNC modification proposal.

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<sup>1</sup> “Alterations to the RMSEC Auction to Accommodate Transfer and Trade of Capacity between ASEPs”; UNC modification proposal 0187

Responses to the proposed Methodology Statement should arrive at National Grid by 17:00 on 17<sup>th</sup> January 2008. They should be sent to:

Andrew Fox  
National Grid  
UKT Commercial  
Gas Access and Charging  
National Grid House  
Warwick Technology Park  
Gallows Hill  
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Alternatively they can be sent by e-mail to:

[box.transmissioncapacityandcharging@uk.ngrid.com](mailto:box.transmissioncapacityandcharging@uk.ngrid.com).

Please copy to [andrew.fox@uk.ngrid.com](mailto:andrew.fox@uk.ngrid.com) and request a "read receipt".

Yours sincerely

Andrew Fox