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The Joint Office, Relevant Gas Transporters, shippers and other interested parties Andrew Fox Senior Commercial Analyst

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Dear Colleague

Re: Consultation on "The Entry Capacity Transfer and Trade Methodology Statement".

Special Condition C8D of National Grid Gas plc's ("National Grid") 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 will use to facilitate capacity transfers and capacity trades. National Grid considers that it is appropriate to prepare a single document (the "Methodology Statement") to meet these obligations.

National Grid is further obliged to review the Methodology Statement at least once a year in consultation with relevant Shippers and interested parties. As presented at the Transmission Workstream meeting on 2nd April 2009 National Grid believes that the Transfer and Trade Methodology has been working successfully. Hence, having reviewed the Methodology Statement National Grid is not proposing any significant changes; some minor updates and simplifications have been made. This letter therefore provides notice 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 relevant sections of UNC.

Responses to this consultation should arrive at National Grid by 17:00 on 15th May 2009. They should be sent by e-mail to:

box.transmissioncapacityandcharging@uk.ngrid.com.

Please copy to andrew.fox@uk.ngrid.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: "Andrew Fox UKT Commercial – Floor B3"

Yours sincerely

Andrew Fox

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