

Richard Hounslea

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Email: gas.systems@ofgem.gov.uk

Date: 21 June 2024

Dear Richard,

Approval of National Grid Gas Plc's (NGT) request for a derogation from Special Condition 9.13.14 of its Gas Transporter Licence (the Licence)

Thank you¹ for your letter dated 18 January 2024, in which you requested a derogation from the requirement to carry out a Relevant Point Consultation for the proposed Entry Point for the Brigg Hydrogen Pilot, Brigg API.

We² have considered your request and have decided to provide our consent, pursuant to Special Condition 9.13.14 of the Licence. This letter details our approval and sets out the reasoning for our decision.

Background

Special Condition 9.13.12 of the Licence requires NGT to maintain and publish a table of Zero Licence Baseline Entry Capacity Points and Zero Licence Baseline Exit Capacity Points and Special Condition 9.13.13 requires it to inform Ofgem if they wish to add a point to either of these tables.

Special Condition 9.13.14 requires NGT to carry out a consultation on whether a new addition to either table should be treated as a Relevant Point on the pipeline system, as defined in the licence,³ unless otherwise directed by Ofgem.

¹ In this document "you" refers to National Gas Transmission.

² References to the "Authority", "Ofgem", "we" and "our" are used interchangeably in this document. The Authority refers to GEMA, the Gas and Electricity Markets Authority. The Office of Gas and Electricity Markets (Ofgem) supports GEMA in its day to day work. This decision is made by or on behalf of GEMA.

³ The Licence defines a Relevant Point as "a point of the licensee's pipeline system on which the licensee will make information on technical, contracted and available capacities on a numerical basis public, on a regular and rolling basis in a user-friendly and standardised manner, as required by Article 18.3, EC Regulation 715/2009, as it has effect immediately before IP Completion Day as read with any modifications set out in the Act."

You wrote to us on 18 January 2024 stating that while the point did not fit the usual requirements for exemption from the Relevant Point definition, the nature of the Entry point meant that it should not be considered a Relevant Point, and that the consultation should therefore not be required.

Specifically, you stated that the Brigg API Entry Point will be a temporary addition used for the purposes of a pilot project, will only feed into a single exit point, affecting a single user, and will only be in use for a matter of hours. You also stated that the Brigg API point will be removed from the Zero Baseline Capacity Table once the Pilot has concluded.

Our Decision

Due to the temporary nature of the point and the fact that the impact will be limited to a single user who has agreed to partake in the pilot project, we are minded to approve the request and will not require you to carry out a Relevant Point consultation with regards to Brigg AGI, pursuant to Special Condition 9.13.14 of the Licence.

However, this is on the understanding that the point will be removed from the table as soon as practicable following the conclusion of the pilot program.

If you have any questions or comments on this decision, please email Gas.Systems@ofgem.gov.uk.

Yours Sincerely,

William Duff
Head of Gas Systems and Operations

Signed on behalf of the Authority and authorised for that purpose.