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Dear Colleague,

Re: Modification Proposal 0223: Provision of day ahead Gas Flow Nomination data at major Aggregated System Entry Points

In response to a request arising from the Modification Panel Meeting of 18 September 2008 National Grid Gas would like to provide additional clarity as to the driver behind the need to publish the information detailed in Modification Proposal 0223.

The requirement to publish this information derives from the North West GRI transmission transparency project. This forms part of the Gas Regional Initiative (GRI) sponsored by ERGEG (European Regulators' Group for electricity and gas) with the aim of furthering the liberalisation of gas markets in Europe.

The deliverables and the drivers for the NW GRI transmission transparency project are described in the Ofgem/ERGEG document ref: GRI-NW-RCC-25-07, "Transmission transparency project first implementation report," published 25 July 2008.

The deliverables are described in section 4.2. Specifically in Table 1: "Data types to be released by TSOs for cross-border interconnection points". The relevant item is listed as "F3: Daily aggregate day-ahead nominations".

The rationale is described in section 4.2 as being:

"The publication of information on daily aggregate day-ahead nominations enables customers to make an assessment of available capacities at each interconnection point. This would enable customers to adjust their nominations to utilise unused capacity and result in more efficient utilisation of the existing infrastructure".

It should be noted that Modification Proposal 0223 includes all major ASEPs and not just "cross-border interconnection points" so as to avoid possible undue discrimination issues within the UK.

We shall be happy to supply any additional information if requested.

Yours sincerely,

Colin Hamilton