

19 July 2010

Dear Colleague,

**NOTICE OF IMPLEMENTATION
MODIFICATION PROPOSAL No: 0290**

“To facilitate the release of Additional NTS Exit (Flat) Capacity at National Grid NTS's discretion”

Please note that Modification Proposal No 0290 will be implemented with effect from 06:00 hours on 20/07/2010. The Final Modification Report, Version 3.0, was signed by Ofgem on 19/07/2010.

The new Code text resulting from this Modification follows:

Option A where Mod 289 is implemented

UNC, Transportation Principle Document, Section B

Amend paragraph 3.4.2 as follows:

3.4.2 For the purposes of Annex B-1, in relation to an annual capacity notification pursuant to this paragraph 3.4:

- (a) capacity applications may be made in the Annual Application Window;
- (b) the capacity periods are Gas Years Y+1, Y+2 and Y+3;
- (c) the amount of Annual NTS Exit (Flat) Capacity subject to such annual capacity notification in respect of each NTS Exit Point and each capacity period shall be the amount of Remaining Available NTS Exit (Flat) Capacity that is available for all Gas Days within that Gas Year plus such additional amount of Annual NTS Exit (Flat) Capacity above the Baseline NTS Exit (Flat) Capacity as National Grid NTS may decide to release for that Gas Year in its absolute discretion.

Option B where Mod 289 is not implemented

UNC, Transportation Principle Document, Section B

Amend paragraph 3.4.2 as follows:

3.4.2 For the purposes of Annex B-1, in relation to an annual capacity notification pursuant to this paragraph 3.4:

- (a) capacity applications may be made in the Annual Application Window;
- (b) the capacity periods are Gas Years Y+1, Y+2 and Y+3;

- (c) the amount of Annual NTS Exit (Flat) Capacity subject to such annual capacity notification in respect of each NTS Exit Point shall be the Remaining Available NTS Exit (Flat) Capacity (in respect of each such Gas Year) plus such additional amount of Annual NTS Exit (Flat) Capacity above the Baseline NTS Exit (Flat) Capacity as National Grid NTS may decide to release for that Gas Year in its absolute discretion.

The following text is unaffected if MOD 289 is implemented

UNC, Transportation Principle Document, Section B Annex B-1

Amend paragraph 4.3(a) as follows:

- 4.3 In relation to an annual capacity notification, NTS Exit (Flat) Capacity will be allocated pursuant to eligible capacity applications submitted as follows:
- (a) subject to paragraph (b), where the aggregate amount of NTS Exit (Flat) Capacity applied for exceeds the Remaining Available NTS Exit (Flat) Capacity, the Remaining Available NTS Exit (Flat) Capacity plus such additional Annual NTS Exit (Flat) Capacity released by National Grid NTS in accordance with Section B3.4.2(c), shall be allocated to capacity pro rata the amounts applied for;

Amend paragraph 4.5(a) as follows:

- 4.5 In relation to each capacity invitation or annual capacity notification, National Grid NTS will inform each User which of its capacity bids, capacity offers or capacity applications were accepted, and for what amounts of NTS Exit (Flat) capacity:
- (a) in the case of an annual capacity notification, not later than ten (10) ~~five (5)~~ Business Days after the end of the Annual Application Window;

Yours sincerely,

Bob Fletcher
Modification Panel Secretary