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Transmission Planning Code Consultation Report

26 August 2008

Introduction

National Grid has an obligation to prepare and consult on a Transmission Planning Code under Special Condition C11 of its Gas Transporter Licence in respect of the NTS ("the Licence").

The Licence requires that the Transmission Planning Code contains a description of the main technical factors that affect the planning and development of the NTS, and includes a methodology to determine the physical capability of the NTS. The Licence also requires National Grid NTS to consult on the Transmission Planning Code for at least 28 days, prior to its implementation. The Transmission Planning Code must be approved by the Authority and be implemented by 1 October 2008 and National Grid NTS must comply with the Transmission Planning Code and review it periodically (at least every 2 years).

National Grid NTS undertook 4 workshops in the period April-July 2008 to discuss and develop the Transmission Planning Code with Shippers, Gas Transporters and other interested parties. A draft version of the document was circulated to the industry ahead of this consultation to inform these discussions and discussed at the July workshops. The minutes of these meetings are available from the Joint Office of Gas Transporters at: http://www.gasgovernance.com/Code/Workstreams/TransmissionWorkstream/2008Meetings/

National Grid NTS launched its formal consultation on 11 July 2008, inviting views in respect of the proposed Transmission Planning Code to be made by 15 August 2008.

This document sets out National Grid NTS's conclusions on its consultation on the proposed Transmission Planning Code.

Questions for consultation

National Grid NTS invited responses in respect of the following aspects of the Transmission Planning Code:

- 1) If other legislative or technical requirements should also be described in the statement.
- 2) If further detail should be included on the models themselves, if such a high degree of transparency would be beneficial to the wider industry and whether there were any commercial implications of including more detail in the document.
- 3) If the Transmission Planning Code meets the requirements of Special Condition C11 to prepare a methodology to determine the physical capability of the NTS and whether the document is appropriately aligned with other methodology statements produced under different Licence conditions.

Responses

Representations were received from E.ON UK plc (EON) who were in support of the Transmission Planning Code, commenting that it provided a good starting point for future review and development of network planning undertaken by National Grid.

National Grid's view

National Grid NTS considers that the proposed Transmission Planning Code document meets the Licence requirements to provide description of the main technical factors that affect the planning and development of the NTS, and a methodology to determine the physical capability of the NTS.

National Grid NTS will review the Transmission Planning Code from time to time, and amend the code in line with other legislative, regulatory and commercial changes that may arise. National Grid NTS believes that the current legislative and technical factors affecting the planning and development of the NTS are described at the appropriate level of detail, and references are given with the Transmission Planning to relevant, publicly available documents to enable any interested party to understand these factors more fully.

National Grid NTS considers that further detail should not be published as a result of the Transmission Planning Code obligation, as this may require National Grid to publish commercially confidential data and may degrade the quality of data provided to National Grid for long term planning and forecasting. Discussions with interested parties during the informal workshops held earlier this year have also indicated there is strong opposition to publish data that could be viewed as commercially sensitive.

Conclusion

National Grid NTS considers that the Transmission Planning Code consultation does not raise any issues that require further amendment to the code.