

**Action 0603: CL to provide additional comments regarding pros and cons for Self-Governance.**

BP believe the modification remains suitable for Self-Governance as it is in line with the Guidance for Proposers Document. On the basis that nothing material has changed since the original proposal was submitted, which the Panel determined was appropriate for Self-Governance, then the modification should remain as Self Governance unless the Panel subsequently decide to the contrary.

In response to the view expressed by Statoil that the proposal will have an impact on reducing competition or choice in the provision of commercial gas blending services BP would highlight that there is no UK Commercial Blending service possibility as each sub-terminal has a standalone Network Entry Agreement meaning current blending arrangements are upstream of the sub-terminal entry meter.

There is currently no competition for Norwegian blending gas for the majority of the calendar year due to the scale of the existing blending requirement. NSMP, as terminal operator, require Rhum to procure gas of Area D quality (<2.5mol% CO<sub>2</sub>) from Norway in a ratio of approximately three molecules Norwegian gas to one molecule of Rhum and a guarantee that these molecules will reach STF at a consistent flow-rate in order that Rhum can produce. This has the effect of diluting the CO<sub>2</sub> content of the Vesterled pipeline and is a service that can only be provided by a Norwegian producer with significant delivery flexibility. Continuation of the current blending requirement will result in significant value leaking from UKCS to NCS which would be avoided if this modification were approved.