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Our reference Your reference

Subject

Response on UNC Modification Proposal 0786S - Amendment of the framework for the Bacton exit pressure service to interconnectors

Dear Joint Office,

BBL Company (BBLC) supports the implementation of this Proposal.

Modification Proposal 0786S is an 'enabling Proposal' in that it does not propose any changes to the UNC document itself but rather it provides an open governance framework that enables National Grid to consult stakeholders on the provision of an amended offtake pressure service to both BBLC and Interconnector Limited (INT).

BBLC operates the interconnector pipeline between GB and the Netherlands. This pipeline is able to connect the NBP and TTF gas market hubs and can flow gas in either direction. The IAs for both BBLC and INT have references to the pressure provisions at the Bacton NTS Exit Point. Under normal conditions the BBL pipeline is able to operate efficiently with the 'normal' NTS offtake pressure detailed in BBLC's current Interconnector Agreement (IA) with NGG. However, under certain network conditions the efficient operation of the BBL pipeline would benefit further from having a higher offtake pressure at the NTS Bacton Exit Point. Given that the provision of such higher offtake pressures would result in NGG incurring additional costs BBLC and INT have engaged with NGG to establish how such an enhanced service could be provided. These discussions have resulted in the proposed changes to the BBLC and INT Interconnector Agreements.

Historically, NGG have provided a pressure service to INT only. NGG's Proposal seeks to extend this arrangement to give both BBLC and INT the option of accessing equivalent pressure services from National Grid. NGG's costs in providing the pressure service would be paid jointly by BBLC and INT via a new Charging Agreement. By facilitating the provision of such equivalent services to both INT and BBLC, BBLC considers that the proposed changes facilitate competition between shippers seeking to use interconnector services as well as the efficient operation of the BBL pipeline. As such BBLC agrees with the Proposer that the Modification Proposal facilitates relevant objective (d).

BBL Company V.O.F.

Date: 20 January 2022 Our reference: BBL VOF 22.07

 $Subject: \ BBL \ Company's \ \textbf{Response on UNC Modification Proposal 0786S-Amendment of the framework for the Bacton exit pressure service to interconnectors$

BBLC agrees with the Proposer that the provision of an enhanced pressure service at Bacton will also facilitate the transportation of greater flows of gas through the interconnector and therefore will also benefit cross-border competition.

Yours sincerely,

Rudi Streuper

Commercial Manager