



The Company Secretary  
National Grid Gas plc  
National Grid House  
Warwick Technology Park  
Gallows Hill  
Warwick  
CV34 6DA

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*Promoting choice and value for  
all gas and electricity customers*

**Consent given to National Grid Gas plc by the Gas and Electricity Markets Authority pursuant to paragraph 3 of Special Condition C15 of the gas transporter licence in respect of the NTS.**

1. This Consent is given by the Gas and Electricity Markets Authority (the "Authority") under Special Condition C15 of the gas transporter licence in respect of the NTS (the "Licence") granted or treated as granted under Section 7 of the Gas Act 1986 (the "Act") to National Grid Gas plc (the "Licensee").
2. Paragraph 2 of Special Condition C15 provides that the licensee shall before 7 November in each formula year (or such later date in each formula year as the Authority may approve) prepare and submit for approval by the Authority an Incremental Entry Capacity Release ("IECR") methodology statement setting out (consistently with the licensee's duties under the Act, and the standard, Standard Special and Special Conditions) the methodology by which it will determine whether to make incremental entry capacity available for sale to gas shippers.
3. Paragraph 3 of Special Condition C15 of the Licence ("Paragraph 3") provides that unless the Authority otherwise consents, the IECR methodology statement shall be accompanied by a statement from appropriate auditors confirming that they have carried out an investigation, the scope of which shall have been established by the licensee and approved by the Authority, and giving their opinion as to the extent to which the licensee has developed a methodology that is consistent with the licensee's duties under the Act and the standard, Standard Special and Special Conditions.
4. Given that the formulae used in the Licensee's IECR methodology statement have not changed since the previous audit in 2008, and the Licensee has indicated to the Authority that only minor changes to the input data have been made since the previous audit, the Authority is willing to grant the Licensee derogation from obtaining the auditors' statement referred to in Paragraph 3 for the formula year 2010.

THEREFORE

5. The Authority hereby consents to the Licensee submitting an IECR methodology statement before 7 November 2010 for formula year 2010 without the statement from auditors referred to in Paragraph 3.

Dated: 31 August 2010

**Signed on behalf of the Authority**

A handwritten signature in black ink, appearing to read 'Stuart Cook', written over a horizontal line.

**Stuart Cook – Senior Partner, Smarter Grids and Governance  
Authorised for that purpose by the Authority**