

Colin Hamilton  
European Policy Specialist (Gas)

colin.j.hamilton@uk.ngrid.com  
Direct tel +44 (0)1926 653423  
Direct fax +44 (0)1926 656603  
Mobile +44 (0)7971 760360

[www.nationalgrid.com](http://www.nationalgrid.com)

23 January 2008

Your Reference E07-LNG-03-06

Re: ERGEG public consultation on GGPLNG

We would like to thank you for the opportunity to comment on the Draft GGPLNG.

The ERGEG document describes a standard bundled service offered by a LSO, consisting of a berthing slot with unloading of LNG, temporal storage capacity, and regasification with corresponding send-out capacity.

A key point from a National Grid Gas Transmission perspective is that it cannot be assumed that in obtaining regasification and send-out capacity for an LNG terminal that a shipper can automatically gain access to the adjoining transmission system – entry capacity must also be secured. In the UK the transmission TSO is a separate entity from LNG facility operators and a regasification and send out service booked at the terminal is not contractually linked to entry capacity into the downstream network.

It may not always be the case that there will be matching firm entry capacity available on the TSO side, particularly in regimes where "Trades & Transfers" can occur (a feature of the access arrangements in the UK where entry rights can be exchanged between entry points).

This should at least be noted and shippers made aware of the issue and not to assume that they can obtain firm entry capacity through simply procuring a standard bundled service from an LSO.

The issue impacts not just LNG but also affects parties either side of Storage and Interconnector facilities.

This illustrates the argument for greater levels of co-operation between regulators, TSOs and other players to find appropriate approaches to best address the complexities arising from interconnection capacity issues.

We would certainly be happy to discuss this matter further and provide additional clarification.

Regards

Colin J Hamilton  
European Policy Specialist (Gas)  
Europe & Energy Forecasting  
UK Transmission - Commercial  
National Grid plc