

Application in respect of an Interconnector Licence under the Energy Act 2004

BBL Company hereby applies for an interconnector licence for the Balgzand Bacton Line (BBL) under the provisions of the Energy Act 2004 and in accordance with the provisions of The Gas (Applications for Licences and Extensions and Restrictions of Licences) Regulations 2004 (“Applications Regulations”).

Information submitted under Schedule 1, Regulation 5 of the Applications Regulations 2004

SCHEDULE 1

Regulation 5

FORM OF APPLICATION IN RESPECT OF A SUPPLIER LICENCE, SHIPPER LICENCE, TRANSPORTER LICENCE OR INTERCONNECTOR LICENCE UNDER THE GAS ACT 1989

GENERAL PARTICULARS

1. State -

- (1) *Name and registered address of applicant in full. In the case of a partnership or other joint venture (other than a body corporate), give the names and addresses of each party concerned.*

BBL Company
PO Box 225
9700 AE Groningen
The Netherlands.
Trade Register Groningen: 02085020

BBL Company is a partnership under Dutch law between the following limited companies (also under Dutch law):

Gasunie BBL B.V (60%)	E.ON Ruhrgas BBL B.V. (20%)	Fluxys BBL BV (20%)
Concourslaan 17	Von Geusastraat 193	Marten Meesweg 115
9727 KC Groningen	2274 RJ Voorburg	3068 AV Rotterdam
The Netherlands	The Netherlands	The Netherlands

- (2) *name, address, facsimile number (where applicable) telephone number and electronic mail address (where applicable) of person to whom correspondence or enquiries concerning the application should be directed.*

All correspondence regarding this application should be sent to:

Mr. F.W.J.H.N. Gräper

Regulatory Affairs

BBL Company

PO Box 225

9700 AE Groningen

The Netherlands.

Telephone: + 31 (0)50 521 32 40

Facsimile: + 31 (0)50 521 35 45

Electronic mail address: f.w.j.h.n.graeper@bblcompany.com

- (3) *where the address provided in 1 (1) above is not an address in Great Britain please provide an address in Great Britain for service of documents.*

The address below may be used for service of documents:

Mr. F.W.J.H.N. Gräper

Regulatory Affairs

BBL Company

27 Old Gloucester St.

LONDON

WC1N 3XX

- (4) *whether the application is in respect of a supplier licence, a shipper licence, a transporter licence or an interconnector licence.*

This application is in respect of a new interconnector licence.

- (5) *whether the application is for a licence, an extension of a licence or a restriction of a licence.*

This application is for a licence

(6) *the date from which the licence or extension or restriction is desired to take effect.*

The interconnector license is required to take effect on 1 July 2006.

(7) *the kind of gas to which the application relates.*

The application relates to an interconnector for transporting natural gas (treated sales gas).

2. State -

(a) *whether the applicant is a public limited company, private limited company, overseas company, other body corporate, partnership, unincorporated association, sole trader or other entity (and in the last case give particulars of the legal status).*

BBL Company is a general partnership under Dutch law (vennootschap onder firma) between 3 private limited companies under Dutch law (Besloten Vennootschap): Gasunie BBL B.V. (60%), Fluxys BBL B.V. (20%) and E.ON Ruhrgas BBL B.V.(20%).

(c) *where the applicant is neither a body corporate, nor a sole trader, give the name(s) and address(es) of the person or persons in whom effective control of the applicant rests*

Gasunie BBL B.V
Concourslaan 17
9727 KC Groningen
The Netherlands

Gasunie BBL B.V. holds a 60% interest in the BBL Company general partnership

(d) where any person (other than the person whose name is given at paragraph 2(b)(iv) or paragraph 2(c) above) holds 20 percent or more of any class of the shares of the applicant, the name and address of each such person, specifying in each case the number of shares so held and the percentage of the aggregate number of shares of that class represented thereby.

E.ON Ruhrgas BBL B.V. (20%)	Fluxys BBL BV (20%)
Von Geusastraat 193	Marten Meesweg 115
2274 RJ Voorburg	3068 AV Rotterdam
The Netherlands	The Netherlands

E.On Ruhrgas BBL B.V. and Fluxys BBL B.V. each have a 20% interest in the BBL Company general partnership.

3. *Give particulars of any licences under the Act or the Electricity Act 1989 held, applied for (whether or not successfully) or intended to be applied for by the applicant or (so far as is known to the applicant) by any person who is a related person in relation to the applicant.*

BBL Company does not hold, has not applied for and does not intend to apply for any other licence under the Gas Act 1986 or the Electricity Act 1989. BBL Company is a Dutch general partnership comprising three partner companies as set out above. On an application of the tests of ‘related person’ under section 258 of the Companies Act and section 286 of the Taxation of Chargeable Gains Act and so far as BBL Company VOF is aware the following entity is a ‘related person’ to BBL Company who has been issued a licence under the Gas Act 1986 or the Electricity Act 1989: N.V. Nederlandse Gasunie holds a shipper licence. BBL Company is not aware of the existence of any other ‘related persons’ or licences/ licence applications under the Gas Act 1986 or the Electricity Act 1989 held/ made by them. BBL Company is aware of licences under the Gas Act 1986 or the Electricity Act 1989 held by E.On Ruhrgas (which is a parent company of E.On Ruhrgas BBL B.V.): E.On Ruhrgas holds a shipper licence and a supplier licence.

DETAILS OF APPLICATION

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- (1) *If the application is for a licence, other than a gas supplier licence of the type specified in section 8(2) of the Act –*
- (a) *Provide details of any modification requested to any of the standard conditions for the type of licence for the purposes of section 8(3) of the Act; and*
 - (b) *State the grounds on which the applicant believes that –*
 - (i) *any such modification is requisite to meet the circumstances of the particular case; and*
 - (ii) *if the application is for a gas shipper licence or gas supplier licence, any such modification is such that no other holder of such a licence would be unduly disadvantaged in competing with other holders of such licences (including the applicant)*

Currently no modification request is expected.

CRIMINAL OFFENCES

5. Either-

- (a) *Give particulars of any criminal convictions of the applicant and any other person specified in paragraph 2(b)(iii), 2(b)(iv), 2(c) or 2(d) (other than for offences under the Road Traffic Offenders Act 1988 or convictions in respect of which the person has become rehabilitated under the Rehabilitation of Offenders Act 1974; or*
- (b) *Provide a statement that there are no relevant convictions.*

There are no relevant convictions.

Information submitted under Regulation 6, Schedule 2, Part IV of the Applications Regulations 2004

SCHEDULE 2

Regulation 6

PART 4

**FURTHER INFORMATION AND DOCUMENTS TO ACCOMPANY AN APPLICATION
IN RESPECT OF AN INTERCONNECTOR LICENCE**

1. *An application in respect of an interconnector licence must specify the actual or proposed point of connection to a gas transportation or gas distribution network. Where the applicant is unable to specify a point of connection the applicant should provide, Ordnance Survey Grid Reference co-ordinates for the proposed point of connection*

The BBL Company proposes to connect the BBL to National Grid Transco's NTS at Bacton. We refer to Annex A of the accompanying application document for further information on the point of connection.

2. *In relation to an application for a licence in respect of an interconnector that was not completed by 3 August 2003, state whether the applicant seeks not to have applied to the licence any or all of the following standard licence conditions –*

- (a) Conditions relating to the charging methodology to apply to third party access to the licensee's interconnector;*
- (b) Conditions relating to the requirement to offer terms to an applicant for access to the licensee's interconnector;*

The BBL Company seeks for all of the licence conditions relating to the matters referred to in paragraphs 2(a) and 2(b) of Part IV, subsection 2, of Schedule 2 of the Applications Regulations 2004 not to be in effect.

3. *Where the applicant so seeks for any of all of the licence conditions relating to the matters referred to in paragraphs 2(a), 2(b) above not to be in effect the following additional information must be provided in respect of those licence conditions.*

- (a) the period of time for which the applicant seeks that the licence condition or conditions not be in effect;*

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(b) a statement setting out the evidence and reasoning as to why the applicant considers –

(i) the investment in the interconnector enhances competition in gas supply and enhances security of supply;

(ii) the level of risk attached to the investment to be made in relation to the interconnector is such that the investment would not be or would not have been made unless those licence conditions were not in effect;

(iii) that, should the licence conditions not be in effect for the period of time sought, this will not be detrimental to competition or the effective functioning of the internal gas market, or the efficient functioning of the regulated system to which the infrastructure is connected; and

(c) a further statement that –

(i) the interconnector will be owned by a natural or legal person who is separate, at least in terms of its legal form, from the system operators in whose systems the interconnector to which this application relates will be built; and

(ii) charges will be levied on users of the interconnector.

The information required under Paragraph 3 of Part IV of Schedule 2 is included in the supporting documentation. The documentation regarding this application has been sent on 15 October 2004 (reference no: BBL VOF 04.B.034 and BBL 04.A.083). A document containing additional information is attached to this application (reference no. BBL 04.A.170)