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**April 25 2005**

## **OFGEM APPROVES NEXT STAGE OF NGT'S SALE OF FOUR OF ITS GAS DISTRIBUTION NETWORKS**

Ofgem has today (Monday) announced its approval of the next stage of the regulatory process to allow the sale of four of National Grid Transco's (NGT) gas distribution networks to proceed.

In January this year, Ofgem's Authority conditionally approved the sale after extensive consultation and a Regulatory Impact Assessment showed that customers' interests could be protected.

NGT has now substantially satisfied the conditions attached to the Authority's approval which it was required to meet before being permitted to hive-down its distribution network assets into four wholly-owned Transco subsidiary companies. It is expected that hive-down will occur on 1 May.

NGT will then need to meet the remaining conditions set by the Authority before it is able to sell the shares in the four companies to the relevant third party purchasers, which is anticipated to occur on 1 June 2005.

ends

### **Notes**

1. Ofgem will later today issue an open letter setting out the reasons for its decision to approve the next stage of the sale. Copies of this document "Ofgem approves next stage of sale of NGT's Gas Distribution Networks") will be available on the Ofgem website [www.ofgem.gov.uk](http://www.ofgem.gov.uk). Hard copies can be ordered from the Ofgem distribution centre on 020 7901 7116 or by email from [distribution@ofgem.gov.uk](mailto:distribution@ofgem.gov.uk)
2. Ofgem is the Office of the Gas and Electricity Markets, which supports the Gas and Electricity Markets Authority, the regulator of the gas and electricity industries in Great Britain. Ofgem's aim is to bring choice and value to all gas and electricity customers by promoting competition and regulating monopolies. The Authority's powers are provided for under the Gas Act 1986 and the Electricity Act 1989, as amended by the Utilities Act 2000 as well as under the Competition Act 1998 and the Enterprise Act 2002.

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