

National Grid Gas Plc

Direct Dial: 0207 901 7000

Email: Graham.Craig@ofgem.gov.uk

Date: 01 August 2022

Directions under Special Condition 3.10.11, Special Condition 3.11.11 and Special Condition 3.14.5 of the gas transporter licence held by National Grid Gas plc (the Licensee) to amend the dates for applying for certain directions

1. The Gas and Electricity Markets Authority ('the Authority')¹ today issues directions under the following Special Conditions:
 - a. Special Condition 3.10.11 Bacton terminal site redevelopment Re-opener and Price Control Deliverable (BTRt and BTREt) - to amend
 - the dates when the Licensee can apply for a direction to amend delivery dates, outputs or allowances set out in Special Condition 3.10.11
 - b. Special Condition 3.11.11 Compressor emissions Re-opener and Price Control Deliverable (CEPt and CEPREt) to amend
 - the dates when the Licensee can apply for a direction to amend delivery dates, outputs or allowances set out in Special Condition 3.11.11
 - c. Special Condition 3.14.5 Asset health Re-opener (Aht) -to amend
 - the dates when the Licensee can apply for a direction to amend the value of certain terms, delivery dates, outputs or allowances set out in Special Condition 3.14.
2. Each of these special conditions provides a mechanism by which the Licensee may seek additional funding during the RIIO-T2 price control period for projects and programmes the needs case for which was accepted at the time of Final Determinations, but for which the scope and cost were highly uncertain

¹ The terms "the Authority", "we" and "us" are used interchangeably in this document

3. The reason for the directions under Special Condition 3.10.11 and 3.11.11 is allow the Licensee to apply for directions from the Authority between 1 August 2022 and 5 August 2022. In order that they might have re-opener application windows and / or Final Option Selection Report delivery dates better aligned with the availability of relevant information.
4. The reason for the direction under Special Condition 3.14.5 is to better align the re-opener application windows with the availability of relevant information.
5. In both cases this will significantly reduce the level of uncertainty associated with the scope and cost of delivering the projects and programmes. In the case of
 - Special Condition 3.10 Bacton terminal site redevelopment - this will allow for further site investigation works to be carried out.
 - Special Condition 3.11 Compressor emissions - this will permit a full assessment of alternative technologies.
 - Special Condition 3.14 Asset health - this will permit more actual data to be used in the derivation of accurate unit costs.
6. The effect of the directions under Special Condition 3.10.11 and 3.11.11 is allow the Licensee to apply for directions from the Authority between 1 August 2022 and 5 August 2022. In order that they might have re-opener application windows and / or Final Option Selection Report delivery dates better aligned with the availability of relevant information.
7. The effect of the direction under Special Condition 3.14.5 is to better align the re-opener application windows with the availability of relevant information.
8. In both cases this will significantly reduce the level of level of cost associated with any request for additional funding that the Licensee may make during the RIIO-T2 period. This will permit the Authority to better determine the appropriate level of funding that is required to deliver each of these projects/programmes.
9. These directions constitute notice of our reasons for the purposes of section 38A of the Gas Act 1986.



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Jourdan Edwards
Deputy Director
Duly authorised on behalf of the
Gas and Electricity Markets Authority

Direction under Special Condition 3.10.11 of the gas transporter licence held by National Grid Gas plc to amend the dates for applying for certain directions

1. National Grid Gas plc ('the Licensee') is the holder of a gas transporter licence ('the Licence') granted or treated as granted under section 7 of the Gas Act 1986.
2. Special Condition 3.10 (Bacton terminal site redevelopment Re-opener and Price Control Deliverable (BTRt and BTREt) of the Licence provides a mechanism by which the Licensee may seek additional funding during the RIIO-T2 price control period for the Bacton terminal site redevelopment. The needs case for this project was accepted at the time of RIIO-T2 price control Final Determinations, but the scope and cost of the project were highly uncertain.
3. Special Condition 3.10.11 provides that the Licensee must apply to the Authority for a direction amending the outputs, delivery dates or allowances in Appendix 2 of Special Condition 3.10 Between 11 September 2023 and 17 September 2023 or during such other periods as the Authority directs.
4. The Authority hereby directs that the Licensee may apply to the Authority for a direction amending the outputs, delivery dates or allowances in Appendix 2 between 1 August 2022 and 5 August 2022.
5. The reason for the direction by the Authority is to allow the Licensee to apply for directions from the Authority between 1 August 2022 and 5 August 2022. In order that they might have re-opener application windows and / or Final Option Selection Report delivery dates better aligned with the availability of relevant information. In the case of Bacton terminal site redevelopment this will allow for further site investigation works to be carried out.
6. The effect of this direction is allow the Licensee to apply for directions from the Authority between 1 August 2022 and 5 August 2022. In order that they might have re-opener application windows and / or Final Option Selection Report delivery dates better aligned with the availability of relevant information. This will significantly reduce the level of cost associated with any request for additional funding that the Licensee may make during the RIIO-T2 period. This will permit the Authority to better determine the appropriate level of funding that is required to deliver each of these projects/programmes.
7. This direction constitutes notice of our reasons for the purposes of section 38A of the Gas Act 1986.



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Jourdan Edwards
Deputy Director
Duly authorised on behalf of the
Gas and Electricity Markets Authority

Direction under Special Condition 3.11.11 of the gas transporter licence held by National Grid Gas plc to amend the dates for applying for certain directions

1. National Grid Gas plc ('the Licensee') is the holder of a gas transporter licence ('the Licence') granted or treated as granted under section 7 of the Gas Act 1986.
2. Special Condition 3.11 (Compressor emissions Re-opener and Price Control Deliverable (CEPt and CEPREt) of the Licence provides a mechanism by which the Licensee may seek additional funding during the RIIO-T2 price control period control of Compressor emissions. The needs case for this project was accepted at the time of RIIO-T2 price control Final Determinations, but the scope and cost of the project were highly uncertain
3. Special Condition 3.11.11 provides that the Licensee must apply to the Authority for a direction amending the outputs, delivery dates or allowances in Appendix 1 of Special Condition 3.11 during application windows specified in Appendix 2 or during such other periods as the Authority directs.
4. The Authority hereby directs that the Licensee may apply to the Authority for a direction amending the outputs, delivery dates or allowances in Appendix 2 of Special Condition 3.11 between 1 August 2022 and 5 August 2022.
5. The reason for the direction by the Authority is to allow the Licensee to apply for directions from the Authority between 1 August 2022 and 5 August 2022. In order that they might have re-opener application windows and / or Final Option Selection Report delivery dates better aligned with the availability of relevant information. In the case of compressor emissions this will permit a full assessment of alternative technologies.
6. The effect of this direction is allow the Licensee to apply for directions from the Authority between 1 August 2022 and 5 August 2022. In order that they might have re-opener application windows and / or Final Option Selection Report delivery dates better aligned with the availability of relevant information. This will significantly reduce the level of cost uncertainty associated with any request for additional funding that the Licensee may make during the RIIO-T2 period. This will permit the Authority to better determine the appropriate level of funding that is required to deliver each of these projects/programmes..
7. This direction constitutes notice of our reasons for the purposes of section 38A of the Gas Act 1986.



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Jourdan Edwards
Deputy Director
Duly authorised on behalf of the
Gas and Electricity Markets Authority

Direction under Special Condition 3.14.5 of the gas transporter licence held by National Grid Gas plc to amend the dates for applying for certain directions

1. National Grid Gas plc ('the Licensee') is the holder of a gas transporter licence ('the Licence') granted or treated as granted under section 7 of the Gas Act 1986.
2. Special Condition 3.14.5 (Asset health Re-opener (Aht) of the Licence provides a mechanism by which the Licensee may seek additional funding during the RIIO-T2 price control period in respect of the asset health term of the totex allowance. The needs case for this deliverable was accepted at the time of RIIO-T2 price control Final Determinations, but the scope and cost of the deliverable were highly uncertain.
3. Special Condition 3.14.5 provides that the Licensee must apply to the Authority for a direction under paragraph 3.14.4 between 25 January 2023 and 31 January 2023 or during such later periods as the Authority may direct.
4. The Authority hereby directs that, in addition to the existing re-opener window, the Licensee may apply to the Authority for a direction under paragraph 3.14.4 of Special Condition 3.14 between 24 June 2023 and 30 June 2023, between 25 January 2024 and 31 January 2024 or during such later periods as the Authority may direct.
5. The reason for the direction by the Authority is to better align the re-opener application windows with the availability of relevant information. In the case of the asset health this will permit more actual data to be used in the derivation of accurate unit costs.
6. The effect of the direction will be to create two additional re-opener windows during which the Licensee may seek additional funding. This will reduce the level of cost uncertainty associated with any request for additional funding that the Licensee may make during the RIIO-T2 price control period. This will permit the Authority to better determine the appropriate level of funding that is required to deliver the asset health deliverable.
7. This direction constitutes notice of our reasons for the purposes of section 38A of the Gas Act 1986.



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Jourdan Edwards
Deputy Director
Duly authorised on behalf of the
Gas and Electricity Markets Authority