

National Grid Gas Plc

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Directions under Special Condition 3.10.11 and Special Condition 3.11.11 of the gas transporter licence held by National Grid Gas plc (the Licensee) to amend the dates for applying for certain directions and delivery dates set out in those special conditions

1. The Gas and Electricity Markets Authority ('the Authority')¹ on 2 August 2022 published on its website proposals to issue 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
 - the delivery date of the Final Option Selection Report set out in Appendix 2 of Special Condition 3.10
 - b. Special Condition 3.11.11 Compressor emissions Re-opener and Price Control Deliverable (CEPt and CEPREt) to amend
 - the delivery dates of the Final Option Selection Report for Wormington, King's Lynn, St Fergus and Peterborough and Huntingdon set out in Appendix 2 of Special Condition 3.11.
2. We received 1 response, which we have carefully considered. We have placed this non-confidential responses on our website.
3. Both of these special conditions provide a mechanism by which the Licensee may seek additional funding during the RII0-T2 price control period for projects, the needs case for which

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

was accepted at the time of Final Determinations, but for which the scope and cost were highly uncertain

4. The reason for these directions is to better align re-opener application windows and / or Final Option Selection Report delivery dates with the availability of relevant information. This will significantly reduce the level of uncertainty associated with the scope and cost of delivering the projects. 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.
5. The effect of these directions is to significantly reduce the level 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.
6. 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 and delivery dates set out in the special condition

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. The Authority hereby directs under Special Condition 3.10.11
 - An amendment to the delivery date of the Final Option Selection Report in Appendix 2 of Special Condition 3.10 to 28/02/2024
 - An amendment to the re-opener application window in Appendix 2 (and paragraph 11) of Special Condition 3.10 to 01/05/2025 – 31/08/2025
4. The reason for the direction by the Authority is to better align the re-opener application window and Final Option Selection Report delivery date 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.
5. The effect of this direction is to allow the Licensee to submit a re-opener application and Final Option Selection Report once relevant information is available. This will significantly reduce the level of 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 this project.
6. 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 delivery dates set out in the special condition

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. The Authority hereby directs under Special Condition 3.11.11 the following amendments to the delivery date of the Final Option Selection Report in Appendix 2 of Special Condition 3.11
 - Wormington to 08/22
 - Kings Lynn to 01/23
 - St Fergus to 01/23
 - Peterborough and Huntingdon to 01/23
4. The reason for the direction by the is to better align the Final Option Selection Report delivery dates with the availability of relevant information.. In the case of compressor emissions this will permit a full assessment of alternative technologies.
5. The effect of this direction is to allow the Licensee to submit Final Option Selection Reports once relevant information is available . This will significantly reduce the level of 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 project.s.
6. 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

