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[by e-mail only]

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

Dear Joanna,

**National Grid Gas Transmission Response to Ofgem Statutory consultation on Electricity Distribution and cross-sector Associated Documents, dated 14 December 2022.**

This letter is the response on behalf of National Grid Gas plc (NGGT) to the above statutory consultation. Our response is confined to the following cross-sector Associated Documents:

- RIIO-2 NIA Governance Document,
- Price Control Deliverable Reporting Requirements and Methodology Document, Version 3; and
- Re-opener Guidance and Application Requirements Document

Our non-confidential response comprises the following bullet points, plus the detailed comments set out in tables in Appendix 1 to this letter:

- Reopener Guidance. We support the incorporation of the Authority Assessment Process into this Associated Document. This is important to provide network companies with clear expectations as to how Ofgem will assess reopener requests. We suggest it may be clearer for this content, which is generic to all Re-openers, to be included in the body of document rather than in an appendix.
- Please note we are responding separately to the Ofgem Cyber team with our comments on the confidential draft cyber appendices to the PCD Guidance and Re-opener guidance documents.

Please do not hesitate to contact us if you have any queries about our feedback.

For NIA please contact [corinna.jones@nationalgrid.com](mailto:corinna.jones@nationalgrid.com) and for PCDs and Re-openers please contact [jonny.hosford@nationalgrid.com](mailto:jonny.hosford@nationalgrid.com)

Yours, sincerely,

Jonny Hosford  
Regulatory Strategy Manager, National Grid Gas Transmission

[By email only to: [Joanna.Gaches@ofgem.gov.uk](mailto:Joanna.Gaches@ofgem.gov.uk) ]

## Appendix 1.

Detailed NGGT points of response to Ofgem’s Statutory consultation on Electricity Distribution and cross-sector Associated Documents dated 14 December 2022.

### Re-opener Guidance and Application Requirements Document

Section / Page number	NGGT Comment
Version control section, page 2	The table denotes Version 3 as “Dec 2022”. This should be changed to denote the actual date upon which Version 3 is issued, anticipated to be a date in early February 2023.
Sections 3.13 & 3.14 on page 12 and section 3.20 on page 14	The references in these sections to “paragraph 3.5” should refer to “paragraph 3.3”
Section 3.16, page 13	The references in this section to “paragraphs 3.17 and 3.17” should refer to “paragraph 3.17 and 3.18”
Section 3.23, footnote 10, page 16	The footnote 10 is missing (or should refer to the same link denoted in footnote 11?).
Section 3.23, second bullet, and footnote 11, page 16 (CBA template spreadsheet)	The second bullet refers to the “CBA Guidance for ET, GD and GT in September 2019” at the given hyperlink. However, when one studies the link, one is taken to spreadsheet CBA template “RIIO-GT_CBA_Template_Revised_v1.1.xlsm” which itself has been revised/corrected on six occasions the latest being change number 6 dated 17 <sup>th</sup> August 2022. This therefore does not point to a 2019 fixed item, but to a moving target. We suggest Ofgem needs to systematically notify licences of the occurrence of such changes, otherwise licencees may not be aware changes have taken place.
Appendix 12: Authority Assessment Process, section 1.2, page 57.	Change “within six months” to “between three and six months” for consistency with the timescale set out in the table in section 1.21
Appendix 12, Section 1.3, page 57 and sections 1.31-1.33, page 65	We note that the substance of these sections 1.3 and 1.31-1.33 (Additional Re-opener windows and Authority triggered re-openers) is quite different to the substance of Appendix 12 (Authority assessment process). Given this difference we suggest it would be more appropriate for the former parts to be taken out of Appendix 12 and given their own Appendix. Additionally, we suggest the Authority assessment process, which is generic across all re-openers, should be included in the main body of the document rather than in an appendix.
Appendix 12, section 1.11, page 60 and section 1.22, page 62	The references in these sections to “paragraphs 1.19 and 1.20” should refer to “Chapter 3, section 3.1”
Appendix 12, Footnote 30, page 64	Delete the final words of the footnote “as set out in paragraph 1.20” because this is an invalid and unnecessary reference

Appendix 12, Footnote 31, page 64	This footnote describes that some re-openers are subject to a “self-modification direction process” and that others are subject to “statutory consultation”. Please could it be more clearly denoted as to which re-openers fit into which category and what the differences are between the two categories.
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### Price Control Deliverable Reporting Requirements and methodology Document: Version 3.

Section / Page number	NGGT Comment
1. Introduction, Section 1.4, page 6	Typo: Delete “is” from “This document is should be read...”
6. PCD Reporting, section 6.4, page 16	In our view the track change amendments confuse the meaning of this section. We propose it would be clearer if the wording emulate the text in section 7.1. Hence we proposed a reworded section 6.4 would read: “For Evaluative PCDs, licensees are required to submit a Basic PCD Report along with the RRP templates in the regulatory year following the end of the regulatory year in which the PCD was due to be delivered.”
7. Process for the assessment of PCD delivery and allowance adjustments. Section Summary box, page 20	Drafting inconsistency: For consistency with other summary boxes should this box be amended to say “This <del>section</del> chapter sets out...”
Section 7.2 and table 7.1	These sections refer to a “PCD tracker template” that forms part of the RRP. To our knowledge neither the RRP nor RIGS refer to a PCD tracker template, but some RRP tables do contain PCD information. Hence we suggest it would be more accurate to refer to “relevant PCD tables” that form part of the RRP.
Section 7.8, page 23	This refers to “Network Companies”. Other equivalent references have been changed to refer to “licences”, so this might do likewise for consistency.
Index, Page 23	For completeness we suggest this title ought to appear as “Index of Appendices”
Definitions of Basic PCD Report and Full PCD Report, page 25	Through track changes these definitions have been amended to point to sections of the Associated Document. We think this change should not be made, and the definitions should continue to point to licence Special Condition 9.3 which is primary and takes precedence.
Page 30	A reference is made to the Authority. We suggest the document needs rechecked for consistency throughout as to whether “Ofgem” or “The Authority” ought to be used in each instance.
Appendix 3, page 31 and Appendix 5, page 33	We propose the titles of these appendices do not need the words “Gas Transmission” inserted, because the Index of Appendices has

	been amended to make it clear which sectors each appendix applies to.
Appendix 5, page 33. Third bullet	Delete spurious sequence of dots ..... Which appear at the end of this bullet

## RIIO-2 NIA Governance Document

Section / Page number	NGGT Comment
Section 2.7, page 12, comments on the addition highlighted in blue	<b>Ofgem proposes</b> “2.7. Gas Transporter, Electricity Distribution and Electricity Transmission Licensees must have in place efficient and effective processes that promote partnerships with third parties. This should include processes aimed at offering suitable support, information and guidance to innovators new to the energy sector, innovators less familiar with network challenges, to small and medium enterprises, and to early-stage innovators.” <b>NGGT Agree.</b> The ENIP process and internal aligned process allow for this – ENIP documentation to be updated for March 2023. No concern as already in delivery.
Section 2.8, page 13, comments on the addition highlighted in blue	<b>Ofgem proposes</b> “2.8. Licensees should work collaboratively, so that this support aimed at improving access to network innovation partnership opportunities is realised in the most efficient and effective manner.” <b>NGGT Agree.</b> GIGG and GIGG EIM working groups supported by ENA enable us to identify opportunities to collaborate and prevent duplication. No concern as already in delivery.
Section 3.19, page 20, comments on the addition highlighted in blue	<b>Ofgem proposes</b> “and publish it on the ENA Smarter Networks Portal (or equivalent as per paragraph 2.5). Through the information contained...” <b>NGGT Agree.</b> This is a current requirement and all projects are registered on the portal prior to project start
Section 6.3, page 36, comments on the addition highlighted in blue	<b>Ofgem proposes</b> “...for each Project that was ongoing or completed in the preceding Regulatory Year.” <b>NGGT Agree.</b> This is a current requirement and undertaken for all projects
Section 6.4, page 36, comments on the text removed	No concern with this change
Table 6.1, page 38, comments on the text removed highlighted in blue	<b>Ofgem proposes</b> “Unless there are regulatory, contractual or commercial reasons not to do so, ...” <b>NGGT Disagree.</b> In reporting the innovation projects, we have needed to remove commercially sensitive and security information from the technical reports released. This needs to be an option for the networks.
Table 6.1, page 39, comments on the addition of the net benefit statement	<b>Ofgem proposes</b> <b>Net Benefit statement</b> – <b>NGGT Disagree.</b> The benefits are unlikely to have been delivered at the end of the project as implementation activities often follow the closure of the projects. We can provide insight into the next steps and predicted benefits,

	including any change from that of the PEA. This is feasible and already provided. Case studies are developed and disseminated to provide insight into the deployed solutions once implementation activities complete.
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