

By email

Graham,

Please find below NSMP's responses (in blue text) to the questions listed in OFGEM's consultation on the above subject as published on 2 June 2023.

For ease of reference, the page numbers of the OFGEM consultation paper are in red text, the OFGEM questions are in black text and NSMP's responses are in blue text.

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1. Do you have any comments about the overall process of this consultation?

We believe the process has been clear and transparent for all stakeholders.

2. Do you have any comments about its tone and content?

The tone is formal and the content has included enough detail to allow stakeholders to be well informed.

3. Was it easy to read and understand? Or could it have been better written?

Yes, the content has been relatively easy to read and understand.

4. Were its conclusions balanced?

Yes, the conclusions appear to be balanced and the document makes it clear that the conclusion on the Final Preferred Option has been made using various decision making tools such as Cost Benefit Analysis and Best Available Technology assessment. This gives the stakeholders the necessary level of confidence that a sufficiently robust process has been followed in arriving at the conclusion.

5. Did it make reasoned recommendations for improvement?

No comment.

6. Any further comments?

No.

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Question 4.1: Do respondents agree with our assessment of the evidence presented in the Final Option Selection Report?

Yes.

Question 4.2: Do respondents agree with our decision that compressor fuel and carbon credit costs should be included in the Cost Benefit Analysis?

Yes, this seems reasonable.

Question 4.3: Do respondents agree with our assessment that the Cost Benefit Analysis might be conservative in the estimation of Constraint Management Costs and that the Sensitivity Analysis should be given substantive weight in the selection of the Final Preferred Option?

It's difficult to comment on since stakeholders are not well placed to assess whether the Constraint Management Costs might be on the conservative side. However, if OFGEM believe that this might well be the case, then yes, we would agree with OFGEM's view.

Question 4.4: Do respondents have any views on National Gas Transmission's proposal to trial Dry Low Emissions technology on one of the existing Avon compressor units at St Fergus Gas Terminal during the RIIO-2 price control period?

Yes, we would support a trial on DLE technology to support a lowering of the various emissions in the future.

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Question 5.1: Do respondents agree with our proposed Final Preferred Option?

Yes.

Best regards

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