

To:

National Energy System Operator Limited (“the Licensee”)

Direction under Part F of Condition C15 (Future Energy Pathways) of the Electricity System Operator Licence and Part F of Condition C10 (Future Energy Pathways) of the Gas System Planner Licence that the Licensee is relieved of its obligation to submit the proposed Future Energy Pathways Methodology to the Authority by 31 December 2024, until 31 January 2025

1. The Licensee is the holder of an Electricity System Operator Licence (“ESO Licence”) treated as granted under Section 6(1)(da) of the Electricity Act 1989 and a Gas System Planner Licence (“GSP Licence”) granted under Section 7AA of the Gas Act 1986.
2. The Gas and Electricity Markets Authority (“the Authority”)¹ issues this direction, under Conditions C15.22 of the ESO Licence (Future Energy Pathways) and C10.22 of the GSP Licence (Future Energy Pathways), to direct that the Licensee is relieved of its obligation to submit the proposed Future Energy Pathways Methodology to the Authority by 31 December 2024, and directs that the proposed Future Energy Pathways Methodology be submitted to the Authority by 31 January 2025.
3. On 12 December 2024, the Licensee requested a direction by the Authority to delay submission of the proposed Future Energy Pathways Methodology to the Authority in accordance with Conditions C15.16 of the ESO Licence (Future Energy Pathways) and C10.16 of the GSP Licence (Future Energy Pathways).
4. The Authority has considered the request and determined that the rationale for a time extension of one calendar month is reasonable in the circumstances. We acknowledge the delivery schedule has been impacted by the timing of the Government’s statement on Clean Power 2030, and the need to ensure that Government statement requires no additional changes to development of the Future Energy Pathways. We consider this further assessment to be in the best interest of the consumer and industry so that they receive a fully informed methodology that takes recent developments into account. We are therefore issuing this direction to allow sufficient time for consideration, after consultation with the Licensee.
5. This direction is our notice of reasons for the purposes of section 49A of the Electricity Act 1989 and section 38A of the Gas Act 1986.
6. Now the Authority, pursuant to Conditions C15.22 of the ESO Licence (Future Energy Pathways) and C10.22 of the GSP Licence (Future Energy Pathways), hereby directs that the Licensee must submit the proposed Future Energy Pathways Methodology to the Authority by 31 January 2025.

Jack Presley Abbott

¹ The “Authority”, “Ofgem”, “we” and “our” are used interchangeably in this document. The Office of Gas and Electricity Markets (Ofgem) supports the Gas and Electricity Markets Authority (GEMA) in its day to day work.

Duly authorised on behalf of the Gas and Electricity Markets Authority
18 December 2024