

Consultation

Gas Transmission Annual Reporting Framework

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Contact:	Lior Bar-El
Team:	Network Price Controls
Email:	RIIO3@ofgem.gov.uk

This document seeks views on the proposed Regulatory Instructions and Guidance (RIGs), including the Glossary, and the Regulatory Reporting Pack (RRP) data template for the third Gas Transmission Revenue = Incentives + Innovation + Outputs (RIIO-GT3) price control framework, covering the period from 1 April 2026 to 31 March 2031.

This consultation is intended to ensure that reporting templates and guidance are in place to support consistent annual reporting and regulatory monitoring, in accordance with the provisions under Gas Transmission (GT) Standard Special Condition A40 (Regulatory Instructions and Guidance), relating to the RIIO-GT3 price control framework. We¹ seek views on all draft documents.

Once the consultation is closed, we will consider all responses. We will publish the non-confidential responses we receive alongside a decision on our website at <https://www.ofgem.gov.uk/consultations>. If you want your response – in whole or in part – to be considered confidential, please tell us in your response and explain why. Please clearly mark the parts of your response that you consider to be confidential.

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

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1. Introduction

- 1.1 This document seeks views on the proposed Gas Transmission (GT) regulatory reporting framework for application in the RIIO-GT3 price control period (1 April 2026 – 31 March 2031). While the framework builds on the structures and principles developed for RIIO-GT2, it constitutes a new set of reporting arrangements designed for RIIO-GT3.
- 1.2 The consultation covers the two key regulatory documents which underpin the annual monitoring and enforcement of price control obligations in RIIO-GT3:
 - The Regulatory Instructions and Guidance document (RIGs), which includes the Glossary; and
 - The Regulatory Reporting Pack (RRP) Excel data template.
- 1.3 We seek stakeholder comments on the form and content of the documents and how we intend to monitor performance over the RIIO-GT3 period.

Purpose of this consultation

- 1.4 The RIGs and RRP are the principal means by which we collect information on costs, outputs and delivery from National Gas Transmission (NGT), i.e. the owner and operator of the high-pressure National Transmission System (NTS) for gas in Great Britain. This information enables us to monitor performance against RIIO-GT3 objectives and to hold NGT to account for its performance.

Context and related publications

- 1.5 In September 2024, we published the final version of the data templates and associated instructions and guidance to enable NGT to complete the business plan data template (BPDT) submission for the RIIO-GT3 price control in December 2024. The data and accompanying explanation received through the templates were subject to review and assessment and formed the basis of the Final Determinations for RIIO-GT3.
- 1.6 Following the publication of the Final Determinations in December 2025, we undertook a targeted review of the reporting requirements based on BPDT submissions. This review focused primarily on the content, clarity and consistency of reported data, rather than structural design, data flow, or underlying framework changes.
- 1.7 From this review, we identified issues with how we structurally set up and present data tables, with a specific focus on the Cost & Volume (C&V) reporting and associated guidance.
- 1.8 The proposed templates explicitly exclude updated revenue and financial model reporting, which is being developed through a separate consultation. They also exclude the Innovation Measurement Framework (IMF) worksheets, which are

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being progressed separately and are subject to a distinct development process in partnership with the Energy Networks Association.

- 1.9 This approach reflects both the maturity of the existing reporting framework and the importance of maintaining consistency over time. The RIIO-GT2 RIGs and RRP were subject to a significant overhaul at the start of the price control and have since been refined through annual updates, resulting in a well-established and robust framework for regulatory reporting. Maintaining broadly stable structures and definitions also supports effective analysis, enabling consistent comparison of data across years and between networks.
- 1.10 As such, our focus for RIIO-GT3 has been on targeted improvements to content, clarity and guidance, rather than fundamental changes to the underlying framework. Updated revenue and financial model reporting is being developed separately.
- 1.11 Using these findings, and informed by regular engagement with NGT, we have developed a draft set of RIGs for the purpose of annual reporting in RIIO-GT3. This consultation provides an opportunity for a wider group of stakeholders to review these proposals and provide their views.

Overview

- 1.12 This consultation sets out a number of important developments to the RIIO-GT3 reporting framework. These are summarised below:
 - **We are proposing to introduce new reporting areas for RIIO-GT3**, including updates to funding mechanisms that manage, upgrade and improve the condition and resilience of assets, fund new connections, such as new or revised Price Control Deliverables (PCDs), Use-It-Or-Lose-It allowances, and new incentives relating to NTS shrinkage.
 - **We are proposing a number of amendments and clarifications to the reporting framework**, including amendments to enhance reporting on existing funding mechanisms and incentives, updates to definitions, guidance and reporting structures to ensure alignment with the final RIIO-GT3 outputs, incentives and uncertainty mechanisms, and to improve consistency, transparency and usability across the RIGs, RRP and related reporting.
 - **We are proposing to remove some existing RIIO-GT2 reporting requirements**, including removing delivery mechanisms such as:
 - Environmental Scorecard
 - National Innovation Competition
 - NTS Shrinkage RIIO-GT2 reporting tabs.

Way forward

1.13 Following the consultation stages outlined below, Ofgem expects to publish its decision in autumn 2026. If implemented, the proposals will take effect immediately and apply to data submitted from July 2027 onwards, in respect of the 2026-27 reporting year, to comply with the RRP requirements as modified in accordance with our published decision.

Consultation stages

1.14 The key stages of our engagement, development and decision-making process are summarised below.

- Stage 1 Stakeholder engagement and working group discussions: February to June 2026
- Stage 2 Consultation opens: 30 June 2026
- Stage 3 Consultation closes: 25 August 2026
- Stage 4 Ofgem reviews responses and engages with stakeholders: August to October 2026
- Stage 5 Decision Publication: Autumn 2026

1.15 Further opportunities to provide feedback will be available throughout the normal regulatory reporting cycle in advance of the final 2027 data submission. This process will enable the reporting structure and supporting guidance to be updated, where appropriate, to reflect the operation and integration of the final revenue and IMF reporting requirements, as well as any implementation learning identified through initial application later this year (the Annual Iteration Process). We will use this process to support further clarification and refinement ahead of final submission.

How to respond

1.16 We want to hear from anyone interested in this consultation. Please send your response to the person or team named on the front page of this document.

1.17 We have asked for your feedback in each of the questions throughout. Please respond to each one as fully as you can. Please provide any additional feedback you consider necessary to help us shape the RIIO-GT3 RRP and RIGs.

1.18 We will publish non-confidential responses on our website.

Your response, data, and confidentiality

- 1.19 You can ask us to keep your response, or parts of your response, confidential. We will respect this, subject to obligations to disclose information, for example under the Freedom of Information Act 2000, the Environmental Information Regulations 2004, statutory directions, court orders, government regulations, or where you give us explicit permission to disclose. If you do want us to keep your response confidential, please clearly mark this in your response and explain why.
- 1.20 If you wish us to keep part of your response confidential, please clearly mark the parts of your response that you wish to be kept confidential and those that you do not wish to be kept confidential. Please put the confidential material in a separate appendix to your response. If necessary, we will contact you to discuss which parts of the information in your response should be kept confidential and which can be published. We may ask for reasons why.
- 1.21 If the information you give in your response contains personal data under the General Data Protection Regulation (Regulation (EU) 2016/679) as retained in domestic law following the United Kingdom's withdrawal from the European Union ("UK GDPR"), the Gas and Electricity Markets Authority will be the data controller for the purposes of GDPR. Ofgem uses the information in responses in performing its statutory functions and in accordance with section 105 of the Utilities Act 2000. Please refer to our Privacy Notice on consultations, see Appendix 3.
- 1.22 If you wish to respond confidentially, we will keep your response confidential, but we will publish the number, but not the names, of confidential responses we receive. We will not link responses to respondents if we publish a summary of responses, and we will evaluate each response on its own merits without undermining your right to confidentiality.

2. Key changes for the RIIO-GT3 reporting framework

- 2.1 The proposed RIIO-GT3 reporting framework builds on the RIIO-GT2 arrangements and retains the established role of the RIGs and the RRP in supporting annual reporting and regulatory monitoring.
- 2.2 While the RIIO-GT3 framework builds on existing structures and does not introduce fundamental changes to cost classification, we are proposing updates to ensure that reporting of outputs, incentives and uncertainty mechanisms is consistent, transparent and aligned with the underlying regulatory framework.
- 2.3 The RIIO-GT3 framework also introduces some changes to outputs, incentives, environmental priorities and uncertainty mechanisms. These changes are reflected in the proposed design of the RIIO-GT3 reporting framework. The key changes can be grouped into:
- new inclusions for RIIO-GT3 to align the reporting frameworks with new outputs in the RIIO-GT3 price control;
 - changes and/or enhancements in reporting scope;
 - removals of reporting requirements;
 - revenue and innovation worksheets; and
 - general update of the reporting requirement.
- 2.4 Overall, these changes are intended to improve the consistency, transparency and usability of reported data, and to support more effective monitoring of performance and assessment of NGT's delivery, whilst reducing regulatory reporting burden on NGT.

New inclusions for RIIO-GT3

Question 1: Do you agree with our proposals, including the level of detail and the format requested, for the new inclusions in the RIIO-GT3 RRP and RIGs?

- 2.5 RIIO-GT3 introduces new price control mechanisms that did not exist in RIIO-GT2. These include Price Control Deliverables (PCDs), Use-It-Or-Lose-It allowances and uncertainty mechanisms, as set out in our Final Determinations and consequently in the licence. To align reporting requirements with these new mechanisms, we have introduced new reporting sheets into the RIIO-GT3 RRP. All are accompanied by the relevant sections in the RIGs, as follows:
- a) Price Control Deliverables (PCDs)
- 2.6 **West Import Resilience Project (tab 6.10 in the RRP)** – new reporting requirements for the delivery of pipeline build and reinforcement works to improve resilience and security of gas imports from South Wales.

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- 2.7 **Compressor Acoustic Building (CAB) Replacement (tab 6.11 in the RRP)** – new reporting requirements for the delivery of CAB Ventilation Replacement, Air Intake Replacement and CAB Exhaust Replacement works.
- 2.8 **Easement Reinstatement (tab 6.12 in the RRP)** – new reporting requirements for the delivery of tree and scrub clearance as required to maintain access to buried pipelines and gas monitoring and control equipment, ensuring compliance with the Health and Safety Executive (HSE) safety legislation.
- 2.9 **Removal and Remediation of Pipe Stabbings (tab 6.13 in the RRP)** – new reporting requirements for the removal of a large number of valve and pipe stabbings to ensure long-term asset health regarding leaking stabbings.
- 2.10 **Actuator Replacement (tab 6.14 in the RRP)** – new reporting requirements for the replacement of faulty actuators to address long-term asset health issues.
- 2.11 **Nitrogen Sleeves (tab 6.17 in the RRP)** – new reporting requirements to monitor delivery of nitrogen sleeve refurbishment and grouting work, ensuring continued safe and reliable operation of high-pressure gas infrastructure.

b) Use-It-Or-Lose-It Allowances

- 2.12 **Biomethane (tab 6.15 in the RRP)** – reporting requirements to monitor new biomethane connections to the NTS, with allowances subject to utilisation, i.e. unused funding is returned to consumers.
- 2.13 **Compressor Breakdown (tab 6.16 in the RRP)** – reporting requirements to monitor the delivery of work to address unforeseen compressor failures, enabling timely repair or replacement while protecting consumers from overfunding through the UIOLI design.

c) Re-opener Mechanisms

- 2.14 **Pipeline log (tab 8.8 in the RRP)** and other tabs reporting on re-openers have been modified to include the following:
 - Gas Strategic Planning Re-opener – reporting on funding adjustments for additional strategic planning outputs or deliverables where scope evolves post determination, ensuring adaptability to system needs.
 - Office, gas national control centre (GNCC) and emergency control room (ECR) relocation Re-opener – reporting on funding for relocation of the GNCC and ECR.
 - Network Capability Re-opener – reporting on funding for new network capability related investment.
 - Bacton Enhanced Filtration Re-opener – reporting on funding for enhanced filtration requirements at Bacton terminal.

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- Network Decarbonisation and Emissions Compliance Re-opener – reporting on funding adjustments for decarbonisation initiatives and compliance with compressor emissions standards.

d) Incentives

2.15 **NTS Shrinkage incentive (tab 9.3)** – reporting on performance against NGT’s newly introduced incentive related to NTS Shrinkage procurement activities.

Removals of reporting requirements

Question 2: Do you agree with our proposals to remove or reduce reporting requirements set out in this section and in the accompanying RIIO-GT3 RRs and RIGs?

2.16 RIIO-GT3 removes a number of outputs, incentives and delivery mechanisms that applied under RIIO-GT2, reflecting changes in policy priorities, programme structures and the overall design of the RIIO-GT3 price control. This includes mechanisms that are no longer required, have been superseded, or have been replaced with more targeted or flexible arrangements under the updated framework.

2.17 The mechanisms being removed or replaced include:

- Cost movements (tab 5.5 in the RIIO-GT2 RRP). This has been removed due to immaterial movements between cost categories and to reduce regulatory reporting burden.
- Vehicle population transitioning to Zero Emission (tab 6.10 in the RIIO-GT2 RRP). No allowance was provided to NGT in RIIO-GT3; therefore, there is no reporting requirement.
- Environmental Scorecard (tab 8.3 in the RIIO-GT2 RRP). This collected data on NGT’s scope 1 and 2 business carbon footprint (BCF) excluding losses. This data is captured within the Annual Environmental Report (AER).
- National Innovation Competition (NIC), i.e. tab 8.8 in the RIIO-GT2 RRP. This table collected expenditure from NIC projects initiated in RIIO-GT1. The programme has since ceased.
- Net Zero and Re-opener Development Fund Use-It-Or-Lose-It allowance (tab 8.11 in the RIIO-GT2 RRP). This has been replaced with new development funding arrangements referred to as the Network Decarbonisation and Emissions Compliance Re-opener.

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- NTS Shrinkage tabs 9.3, 9.4 and 9.5 in the RIIO-GT2 reporting template of the RRP, which collected information about electricity and gas trades, as well as prompt price forecasts for the gas element of NTS shrinkage. These requirements no longer exist in the RIIO-GT3 licence and, consequently, the tabs have been removed.

2.18 We are proposing updates to the reporting framework to remove the associated reporting requirements and ensure that the RIIO-GT3 RIGs and RRP reflect the revised set of outputs and mechanisms. This includes removing or restructuring existing tables, updating guidance to reflect the removal of legacy outputs, and ensuring that any replacement mechanisms are appropriately captured within the new reporting framework.

2.19 These changes are intended to:

- Reduce reporting burden by removing redundant or superseded requirements.
- Ensure alignment between the reporting framework and the RIIO-GT3 policy package.
- Improve clarity by removing legacy constructs that no longer apply.
- Support a more streamlined and focused set of outputs and delivery mechanisms.

Amendments and clarifications

Question 3: Do you agree with our proposals, including the level of detail and the format requested, for the changed and enhanced RIIO-GT3 RRP and RIG reporting information?

2.20 We have updated the RIIO-GT3 reporting scope to enhance scrutiny over delivery and to ensure alignment with the Final Determinations and associated licence requirements as follows:

a) Asset health programme

2.21 Asset Health (tab 6.3 in the RRP) requires reporting on the management, maintenance, refurbishment and replacement of ageing or deteriorating network assets to ensure a safe, resilient and reliable National Transmission System (NTS).

2.22 RIIO-GT3 builds on the RIIO-GT2 framework by introducing additional asset categories, project identification codes, and clearer linkages to Network Asset Risk Methodology (NARM) asset categories. These data enhancements support more robust cost scrutiny, improve the clarity of delivery obligations, and strengthen the framework for managing uncertainty and risk.

b) Greenhouse gas emissions venting data

2.23 Greenhouse gas emissions venting data (Tab 9.9 of the RRP) provides a detailed breakdown of venting by vent type to support the monitoring and assessment of performance under the Greenhouse Gas Emissions Incentive. To enhance transparency and consistency in reporting, additional definitions have been incorporated into the RIGs, clarifying key categories of gas emissions and vent types.

c) System Operator related reporting, including system operator incentives

2.24 We propose to rationalise System Operator reporting for NGT's outputs and incentives to reduce regulatory burden and align with the new RIIO-GT3 licence obligations, while maintaining continuity across RIIO-2 and RIIO-3. Specifically, we propose to:

- remove the requirement for NGT to submit quarterly reports on all system operator incentives in Chapter 9.
- streamline NTS shrinkage reporting on tab 9.2 of the RRP to reflect the requirements of the RIIO-GT3 price control, including removing requirements to report quarterly prices and volumes and detailed information relating to the electricity element of NTS shrinkage.
- tidy up the reporting templates for compressor emissions incentives (tabs 9.8 and 9.9) to align with the RIIO-3 licence.
- update the Demand Forecasting adjustment reporting (tab 9.6) to reflect the newly introduced wind adjuster in Special Licence Condition 5.6.
- update the Constraint Management tab (8.3) to align reporting requirements and formulae with the RIIO-3 licence obligation, including the introduction of Locational Buy and Sell Action commodity costs.
- update formulae in the Residual Balancing tab (9.4) to align the parameters with those in the RIIO-3 licence.
- simplify reporting templates for the Maintenance incentive, to remove the requirement to report on the specifics of the maintenance work that NGT already reports on publicly on its website.

d) Customer Satisfaction Survey Incentive (tab 8.1 in the RRP)

2.25 The structure of the Customer Satisfaction Survey incentive has changed considerably in RIIO-GT3 compared with RIIO-GT2. To ensure reporting aligns with the new structure of the incentive, we propose to amend tab 8.1 to: a) align the

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reporting template with the RIIO-GT3 price control; and b) simplify reporting by inserting formulae for the calculation of survey area thresholds and scores.

Separation of reporting workstreams

2.26 This consultation focuses on proposed changes to the data templates and associated guidance only. Revenue worksheet information, used to update the Price Control Financial Model (PCFM), is not within scope of this consultation. The development of the financial worksheets within the RRP template is being progressed separately through a parallel workstream.

2.27 We expect to refine both the structure and supporting guidance following initial implementation of the updated revenue worksheets. This will help ensure consistency with the C&V framework and that the interaction between RRP data and the financial worksheets is clearly defined, consistent, and operationally workable for NGT.

2.28 Similar to the approach taken for revenue worksheets, work on the Innovation Measurement Framework (IMF) worksheets is being progressed separately and is subject to a distinct development process in partnership with the Energy Network Association. This work is expected to be completed in the coming months with stakeholder consultation, rollout, and training planned ahead of September 2026 to enable testing using real data. Proposals for the inclusion of IMF tables within the RRP across all sectors will be consulted on as part of the normal regulatory cycle in early 2027.

General

Question 4: Do you agree with our proposals for the general updates we have made to the RIIO-GT3 RRP and RIGs?

2.29 We have proposed enhancements to the overall functionality of the RRP template, for example by incorporating more automation and reducing duplicated data entry, improving the clarity of the accompanying guidance, and better reflecting the structure of the funding provision within the RIIO-GT3 framework. The proposed framework also reflects feedback received through our engagement with NGT.

2.30 Overall, the proposed reporting framework aims to enhance the accuracy, consistency, and usability of the reporting materials, ensuring that the information collected continues to support effective monitoring and regulatory decision-making.

Send us your feedback

2.31 We believe that consultation is at the heart of good policy development. We are keen to receive your responses to this consultation. We would also like to get your answers to these questions:

- Do you have any comments about the quality of this document?
- Do you have any comments about its tone and content?
- Was it easy to read and understand? Or could it have been better written?
- Are its conclusions balanced?
- Did it make reasoned recommendations?
- Do you have any further comments?

2.32 Please send your feedback to stakeholders@ofgem.gov.uk.

Appendix 1. Privacy policy

Personal data

The following explains your rights and gives you the information you are entitled to under the General Data Protection Regulation (GDPR).

Note that this section only refers to your personal data (your name, address and anything that could be used to identify you personally), not the content of your response to the consultation.

1. The identity of the controller and contact details of our Data Protection Officer

The Gas and Electricity Markets Authority is the controller, (for ease of reference, “Ofgem”). The Data Protection Officer can be contacted at dpo@ofgem.gov.uk

2. Why we are collecting your personal data

Your personal data is being collected as an essential part of the consultation process, so that we can contact you regarding your response and for statistical purposes. We may also use it to contact you about related matters.

3. Our legal basis for processing your personal data

As a public authority, the GDPR makes provision for Ofgem to process personal data as necessary for the effective performance of a task carried out in the public interest. i.e. a consultation.

4. With whom we will be sharing your personal data

Information: Include here all organisations outside Ofgem that will be given all or some of the data. There is no need to include organisations that will only receive anonymised data. If different organisations see different sets of data, then make this clear. Be as specific as possible.

5. For how long we will keep your personal data, or criteria used to determine the retention period.

Your personal data will be held for (be as clear as possible but allow room for changes to programmes or policy. It is acceptable to give a relative time e.g. ‘six months after the project is closed’)

6. Your rights

The data we are collecting is your personal data, and you have considerable say over what happens to it. You have the right to:

- know how we use your personal data
- access your personal data
- have personal data corrected if it is inaccurate or incomplete
- ask us to delete personal data when we no longer need it
- ask us to restrict how we process your data

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- get your data from us and re-use it across other services
- object to certain ways we use your data
- be safeguarded against risks where decisions based on your data are taken entirely automatically
- tell us if we can share your information with 3rd parties
- tell us your preferred frequency, content and format of our communications with you
- to lodge a complaint with the independent Information Commissioner (ICO) if you think we are not handling your data fairly or in accordance with the law. You can contact the ICO at <https://ico.org.uk/> or telephone 0303 123 1113.

7. Your personal data will not be sent overseas (Note that this cannot be claimed if using SurveyMonkey for the consultation, as its servers are in the US. In that case, use: “The data you provide directly will be stored by SurveyMonkey on its servers in the United States. We have taken all necessary precautions to ensure that your rights in terms of data protection will not be compromised by this.”)

8. Your personal data will not be used for any automated decision making.

9. Your personal data will be stored in a secure government IT system. (If using a third-party system such as Survey Monkey to gather the data, you will need to state clearly at which point the data will be moved from there to our internal systems.)

10. For more information on how Ofgem processes your data, view our [Ofgem privacy policy](#).