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David Chalmers

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Dear Sara,

**Response on behalf of National Grid Gas Distribution to Ofgem's consultation on minded-to position for the determination of a re-opener application in respect of additional income associated with the Traffic Management Act (and Transport for Scotland Act) under the fifth electricity distribution price control review (DPCR5)**

National Grid Gas Distribution welcomes the opportunity to respond to the above consultation.

There would appear to be a broad correlation between the average cost per permit of £66 incurred by LPN and the £80 allowed for NGG and SGN, taking into account the GDNs' work profile bias towards more major works in relation to the mains replacement programme in gas distribution.

We are, however, unable to comment on the other cost categories covered in this consultation document, as we believe that in order for any party to make an objective assessment of these costs, Ofgem would need to publish the basis of their own cost assessment and benchmarking.

We would recommend that this information should be published in the interests of enabling all parties affected by TMA permit schemes to better understand the additional costs which these schemes and their varied application by highway authorities are placing on Licensees. We would be willing to contribute to any cross-network / Ofgem debate in order to improve transparency and benchmarking in the future.

If you have any questions relating to this response, please contact me.

Yours sincerely

David Chalmers  
Pricing Manager  
Gas Distribution Commercial

By Email