

Deepak Mistry Gas Transmission Asset Management National Grid Gas plc National Grid House Warwick Technology Park Gallows Hill, Warwick CV34 6DA

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Direct Dial: 020 7901 7159 Email: Andrew.Burgess@ofgem.gov.uk

Date: 27 March 2013

Dear Mr Mistry,

## **Re: Statement of Procedures for NTS Network Model Updates**

On 1 March 2013 you submitted your 'Network Model Review Report' (the "Report") to  $us^1$ together with a 'Statement of Procedures for NTS Network Model Updates' (the "Statement") under Special Condition C24 of NGG NTS's gas transporter licence.

The numbering of this condition was modified on 1 February 2013, under RIIO-T1, from C24 to 7C, and this change will come into effect on and from 1 April  $2013^2$ . We consider that as both documents have been submitted before the change to 7C has taken effect it would have been helpful if both documents had referred to C24 rather than Special Condition 7C, but we do not consider that a redraft of either document is required.

In respect of the Report, the proposed revisions to the model are not material and therefore do not require our approval in this instance.

We note that there have been some changes to the Statement which need our approval. These are to reflect the facts that firstly, the Future Energy Scenarios process has replaced Transporting Britain's Energy process and secondly, enduring exit reform has been introduced. We accept that these changes will assist in ensuring that the network model objectives are achieved. We have therefore approved the revised Statement pursuant to Special Condition C24 of the licence (Special Condition 7C from 1 April 2013).

Andrew Burgess Associate Partner, Transmission and Distribution Policy Signed on behalf of the Authority and authorised for that purpose.

<sup>&</sup>lt;sup>1</sup> The terms "Ofgem", "the Authority", "we" and "us" are used interchangeably in this document. <sup>2</sup> RIIO-T1 modifications to the special conditions of the gas transporter licence held by National Grid Gas PLC: http://www.ofgem.gov.uk/Pages/MoreInformation.aspx?docid=440&refer=Networks/Trans/PriceControls/RIIO-T1/ConRes