



Making a positive difference  
for energy consumers

National Grid Gas plc (with  
respect to its transmission  
business)  
(Company Number: 02006000)

Your Ref:  
Our Ref:  
Direct Dial: 020 7901 7273  
Email: martin.rodgers@ofgem.gov.uk

Date: 26 March 2015

Dear Company Secretary,

**Notice under paragraph 10 of Standard Special Condition A40 (Regulatory Instructions and Guidance) ("SSC A40") of the Gas Transporter Licence granted to the Licensee under section 7 of the Gas Act 1986**

Please find attached notice of the above, which will also be published on our website.

Yours sincerely,

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Martin Rodgers  
**Senior Manager, Costs & Outputs**

**To: National Grid Gas plc (with respect to its transmission business)**  
(Company Number: 02006000)  
**(the "Licensee")**

**Notice under paragraph 10 of Standard Special Condition A40 (Regulatory Instructions and Guidance) ("SSC A40") of the Gas Transporter Licence granted to the Licensee under section 7 of the Gas Act 1986**

The Gas and Electricity Markets Authority (the "Authority"<sup>1</sup>) hereby gives notice under paragraph 10 of SSC A40 as follows:

1. The Authority proposes to modify the Regulatory Instructions and Guidance (the "RIGs") under SSC A40. The RIGs are the primary means by which the Authority directs the Licensee to collect and provide the information to the Authority to enable it to administer the Special Conditions of the gas transmission licence and, where not referenced in the licence, the RIIO-T1 Final Proposals<sup>2</sup>.
2. SSC A40 came into effect on 1 April 2013, at the start of the RIIO-T1 price control period. Subject to any representations, the Authority proposes to modify the RIGs in a direction to be issued on or after 28 April 2015 and the RIGs will take effect for the submission of information in July 2015, which relates to 2014/15 reporting year.
3. The proposed modifications to the RIGs consist of new tables and revisions to existing tables. These modifications are detailed in Appendix 2 to this Notice.
4. The purpose of the proposed modifications is to require the Licensee to provide more accurate, consistent and complete information to the Authority. The effect of the proposed modifications will be to enhance the information available to Ofgem.
5. A copy of the proposed RIGs and the associated Excel templates are included in Appendix 1 to this Notice i.e.
  - (a) RIIO-T1 Gas Transmission Price Control – Regulatory Instructions and Guidance: Version 2.1
  - (b) RIIO-T1 Gas Transmission Costs and Outputs Reporting Template: Version 2.1
6. Copies of this Notice and other documents referred to in it are available on the Ofgem website ([www.ofgem.gov.uk](http://www.ofgem.gov.uk)).
7. Any representations on the proposed modifications must be made on or before 28 April 2015 to: Neill Guha, Office of Gas and Electricity Markets, 9 Millbank, London, SW1P 3GE or by email to [neill.guha@ofgem.gov.uk](mailto:neill.guha@ofgem.gov.uk).

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<sup>1</sup> 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.

<sup>2</sup> <http://www.ofgem.gov.uk/Networks/Trans/PriceControls/RIIO-T1/Pages/RIIO-T1.aspx>

8. All responses will normally be published on Ofgem's website. However, if respondents do not wish their response to be made public then they should clearly mark their response as not for publication. We prefer to receive responses in an electronic form so that they can be published easily on our website.

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**Paul Branston**  
**Associate Partner, Costs and Outputs**  
**Duly authorised on behalf of the Authority**  
**26 March 2015**

## **Appendix 1 to the Authority's Notice dated 26 March 2015**

### **Proposed Regulatory Instructions and Guidance**

RIO-T1 Gas Transmission Price Control – Regulatory Instructions and Guidance: Version 2.1

RIO-T1 Gas Transmission Costs and Outputs Reporting Template: Version 2.1

**Appendix 2 to the Authority's Notice dated 26 March 2015  
Proposed modifications to the Regulatory Instructions and Guidance**

| <b>Table</b>   | <b>Proposed Changes</b>   |
|--|---|
| 1.6 Disposals  | New table added to collect further details of property and associated land disposal income      |
| 2.3a Forecast allowances   | New table added to capture the NGGT's view of expected additional allowances                    |
| 3.9 Analysis of excluded, consented and <i>de minimis</i> services | Clarification of the guidance to relating to the table  |
| Other changes  | Minor changes to other tables and the associated guidance to improve the information submission |