



Making a positive difference
for energy consumers

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Date: 29 April 2015

Dear Craig,

Network Model Review and Statement of Procedures

On 30 March 2015 you submitted your 'Network Model Review Report' (the "Report") to us¹ for approval together with the associated 'Statement of Procedures' (the "Statement") under Special Condition 7C of National Grid Gas plc's (NGG) NTS gas transporter licence. You have advised us that NGG has reviewed the Network Model and the Statement in accordance with Special Conditions 7C.1, 7C.2, 7C.5, 7C.6 and 7C.13 of its licence.

The Report states that you are upgrading the software used for the Network Model to Simone version 6.1 Service Pack 1, effective from 1 May 2015. We note that you have undertaken user testing to determine whether the latest version offers significant benefits and would be consistent with the Statement. During this testing you identified a number of minor interface bugs with version 6.1 which led to the developer issuing Service Pack 1. We note that you have provided evidence that the modelling of a high demand day in winter 13/14 using version 6.1 produces more accurate results than current version 5.7 when compared to observed measurements. You have also described the other benefits from version 6.1 such as enhanced functionality.

We have considered the information provided in the Report, including the examples of the modelling results, and note that the upgrade to the modelling software application Simone version 6.1 Service Pack 1 continues to satisfy the Network Model Objectives described under Special Condition 7C in relation to the NTS and offers improved performance on the current software package used. We also note that there have been no changes to the Statement in light of the revision to the Network Model.

Ofgem's Decision

Following consideration of the documentation provided and having regard to the Authority's principal objective and statutory duties and for the reasons set out above, we have decided to approve the Network Model proposal submitted by NGG on 30 March 2015 pursuant to Special Condition 7C. As you have not proposed any revisions to the Statement, our approval is not required in this instance.

Please contact Alice Mitchell at alice.mitchell@ofgem.gov.uk or on 0141 341 3997 if you have any questions about this decision.

Yours faithfully

Paul Branston

Associate Partner, Gas Networks

Signed on behalf of the Authority and authorised for that purpose.

¹ The terms "Ofgem", "the Authority", "we" and "us" are used interchangeably in this document.