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28 April 2015

Dear Mick,

Consultation on Notice modification in relation to RIIO-GD1 Gas Distribution Price Control - Regulatory Instructions and Guidance (RIGs) : Version 2.0

Further to your Notice issued on 26 March 2015 under paragraph 10 of Standard Special Condition A40 (Regulatory Instructions and Guidance) ("SSC A40") of the Gas Transporter Licence granted to the Licensees under section 7 of the Gas Act 1986, please find below our comments and observations in respect of the proposed changes to the RIGs.

#### Table 1.6 - Disposals

Columns C & D refer to cost depreciation. We note that land does not depreciate and that under the cost column some of our original costs are not available. We would welcome further discussion with Ofgem to establish what information is required and what can be provided to achieve the outcomes required.

#### Table 3.8 - Maintenance

We note Column A has previously been highlighted as a yellow, but as this is not now the case is cannot be changed. Our conclusion is that this is a minor error on Ofgem's part and should be rectified accordingly.

#### Table 4.4 - Reinforcement

Columns J to N are extra blocks which are not reflected in the RIGs definitions. We suggest this should be rectified by Ofgem.

#### Table 7.4 - PREs

We consider there may be inconsistencies amongst GDNs about how this data is reported and what is included as a PRE. We would welcome further discussion with Ofgem on how best to take this forward under future reporting requirements.

#### Table 7.6 - BCF

We consider there should be further discussion with Ofgem about options for collating data under this category, as it is currently not clear these data requirements or definitions will achieve Ofgem's objective for measuring appropriate performance across RII0-GD1. We would be happy to assist with these discussions.

#### Streetworks

We consider the Streetworks table(s) should not be included within the RIGs. This is because Streetworks data is required as a reopener only, and should not be required to be reported as part of our annual RIGs submissions.

Should you require any further information with regards to our response then please do not hesitate to contact either Mary Rodgers at [mary.rodgers@sgn.co.uk](mailto:mary.rodgers@sgn.co.uk) or myself at [paul.mitchell@sgn.co.uk](mailto:paul.mitchell@sgn.co.uk).

Yours sincerely,

Paul Mitchell  
Regulation Manager