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16th March 2017

Dear Rebecca,

Consultation: Proposed direction pursuant to Special Condition 4C of the distribution licences and Special Condition 11C of the gas transporter licence held by NGG NTS to treat services in relation to the Central Data Service Provider (CDSP) for which gas transporters (GTs) get paid by another party, such as must reads, as Excluded Services

Thank you for the opportunity to respond to your consultation on the treatment of services such as Must Reads. We have considered its implications for our business and its potential impacts to our customers and would like to offer the following responses to your two questions:

1. Under the new FGO arrangements are there any other services apart from must reads in relation to the CDSP for which GTs get paid by another party and as such should be treated as an Excluded Service?

National Grid Gas Transmission (NGGT) does not engage with Xoserve on Must Read services which are, to our knowledge, exclusively the province of the distribution sector. We do not currently engage with Xoserve on services for which payment is made directly to NGGT and so do not consider that we currently procure services which should be considered as Excluded Services.

2. Do you consider that the draft direction at Annex 1 delivers on the policy intent described in this letter and do you have any comments on the draft direction?

Whilst NGGT does not currently engage Xoserve in services for which the policy intent has been designed, we consider that it delivers on its intent with regards to Must Reads services provided by Xoserve to its Distribution Network customers. It is also our consideration that evolving market forces and the drive for continuous improvement across the energy sector may result in the need for NGGT to deliver Excluded Services at some stage in the future. With this in mind, we are happy to support the proposal which, we feel, offers an efficient vehicle within our Licence with which to introduce new and additional Excluded Services.

If you have any questions regarding our responses, please do not hesitate to contact me.

Yours sincerely,

Seán McGoldrick
Programme Manager
Gas Markets Development
National Grid Gas Transmission