

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

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Date: 2 May 2017

Dear Company Secretary,

## Direction under paragraph 8 of Standard Special Condition A40 (Regulatory Instructions and Guidance) of the Gas Transporter Licence granted to the Licensee under section 7 of the Gas Act 1986

We have considered your response dated 20 April 2017 to our consultation to make modifications to the Regulatory Instructions and Guidance. With regard to the comments on Table 4.2 – Project listing, we note your concerns that changes at this stage do not leave enough time for you to carry out your internal assurances process. As such we have decided to revert to the previous version of Table 4.2 as included in 2015-16 RIGs.

Please note that we expect to progress the proposed changes to Table 4.2 for the 2017-18 RIGs, and therefore ask that you have in place the appropriate internal processes to enable sufficient time to report against those changes in July 2018.

Please find attached direction of the above. This will also be published on our website.

Yours faithfully,

Steven McMahon Associate Partner RIIO Networks

The Office of Gas and Electricity Markets

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