

**To: National Grid Gas plc**

**Direction under Part B of Special Condition 4A (Governance of GT1 Price Control Financial Instruments) of the Gas Transmission License to make modifications to the GT1 Price Control Financial Model**

1. National Grid Gas plc is the holder of a Gas Transmission License granted or treated as granted under section 7 of the Gas Act 1986.
2. In accordance with Part B of Special Condition (SC) 4A (Governance of GT1 Price Control Financial Instruments) of the Gas Transmission Licence, the Gas and Electricity Markets Authority (the 'Authority')<sup>1</sup>, gave notice on 12 September 2017 ('the Notice') to make modifications to the GT1 Price Control Financial Model ('the Model'). The Notice required any representations to be made on or before 26 September 2017.
3. We received no representations in response to the Notice.
4. The Authority has decided to modify the Model in the manner indicated in Table 1 in this Direction, in order to simplify the Model by removing no longer required worksheets. This is not a functional change.
5. In accordance with our powers under Part B of SC 4A, we hereby direct that the modifications in Table 1 of this Direction are made to the Model. These modifications are to have effect from 27 September 2017.
6. This document constitutes a notice of our reasons as required by section 38A of the Gas Act 1986. The consolidated version of the Model is available on the Ofgem website<sup>2</sup>.



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**Ian Rowson**  
**Associate Partner, RIIO Finance & Investor Relations**  
**Duly Authorised on behalf of the Gas and Electricity Markets Authority**  
**27 September 2017**

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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 GEMA in its day to day work.

<sup>2</sup> <http://www.ofgem.gov.uk/publications-and-updates/riio-gt1-financial-model-annual-iteration-process-november-2017>

**Table 1 – Location of modifications within the Model**

#	Modification	Worksheet in Model	Cell References
1	Removal of Blank Operator worksheets	NGGT TO (Blank - Not Used), NGGT SO (Blank - Not Used)  NB: these were hidden sheets	Entire worksheet