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Dear David,

**Consultation on proposals to implement aspects of Regulation (EU) 2017/460, the European Network Code on harmonised transmission tariff structures for gas (TAR NC).**

National Grid Gas plc (NGG) welcomes the opportunity to respond to this consultation relating to the implementation of TAR NC in GB.

We recognise that TAR NC requires certain tasks to be performed by either the National Regulatory Authority (NRA) or the Transmission System Operator (TSO) and that Ofgem is proposing that such tasks should be the responsibility of NGG as the GB TSO. We acknowledge that you propose to modify the gas transporter licence and to issue direction to NGG, specifying the tasks NGG shall be required to undertake.

NGG supports the proposal relating to allocation of tasks. However we believe further consideration should be given to the fact that we are not solely responsible for timescales of certain industry processes.

As you have acknowledged, NGG does not have control over the Joint Office of Gas Transporters (JO), who administer the UNC. Their responsibilities include the timetable for how and when the UNC processes are run and ultimately completed for UNC0621, or indeed any UNC change that may be required as part of this Licence change. The timing of these processes may leave NGG at risk of being unable to comply with the proposed Direction due to factors out of its control.

We understand that timescales, in order to meet the required compliance dates for any EU legislation, can be challenging to meet. We can therefore follow the reasons for directing the date to submit the workgroup report to Panel to be no later than March 2018 in the case of UNC0621. Noting the potential risk on meeting this date, we request that consideration is given instead to focus the direction on the completion date, as opposed to a start date, in order to deliver the required compliance. In this case it would mean issuing a direction that would require compliance, along with completion of all necessary processes and governance so that GB was compliant with the EU Tariff Code, by no later than 31 May 2019.

If you have any questions about this response, please contact Colin Hamilton on 01926 653423.

Yours sincerely

Jenny Phillips  
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