



Making a positive difference
for energy consumers

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

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Date: 27 April 2018

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 to our consultation dated 11 April 2018 on making modifications to the Regulatory Instructions and Guidance ("RIGs").

With regards to the proposed guidance modification for table 6.5 (the Calorific Value conversion methodology for AESP calculation), we will re-visit this issue next year. This is because the difference in methodologies results in a 2% materiality change and the methodology for doing the conversion was not incorporated into the RIGs Guidance document as part of RIIO-T1. We wish to consider the conversions and its consequences, so that an appropriate answer can be given.

We have decided against the suggestion to re-name table 5.4. We feel this modification adds no material change to the RIGs and could cause confusion when comparing data sets between the years.

Please find attached the RIGs modification direction. This provides a complete list of changes made to the RIGs. This will also be published on our website.

Yours faithfully,

SIGNED on 27 April 2018

Steven McMahon
Associate Partner, RIIO Networks

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