

To National Grid Gas
Transmission PLC (NTS) and
other interested parties.

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Email: Craig.Molyneux@ofgem.gov.uk

Date: 19/03/2021

Dear Network Companies,

Direction under of Special Conditions 3.10, 3.11 and 3.12 to deliver Basic Price Control Deliverable Reports

1. Each of the companies to whom this direction is addressed is the holder of a licence granted or treated as granted under section 6(1)(b) of the Electricity Act 1989 or section 7 of the Gas Act 1989.
2. In accordance with Part B and Appendix 2 of the following licence conditions:
 - Special Condition 3.10 Bacton terminal site redevelopment Re-opener and Price Control Deliverable (BTRt)
 - Special Condition 3.11 Compressor emissions Re-opener and Price Control Deliverable (CEPt)
 - Special Condition 3.12 King's Lynn subsidence Re-opener and Price Control Deliverable (KLSt)

on 25 January 2021 the Gas and Electricity Markets Authority ("the Authority")¹ published on its website the text of the proposed Gas Transmission Project Assessment Process (GTPAP) PCD Guidance and Application Requirements and stated that representations must be made on or before 23 February 2021.

3. We received one response, which we have carefully considered and have published on our website². Our response to the comments received is set out in the issues log, which can be found here³.

¹ The terms "the Authority", "we" and "us" are used interchangeably in this document.

² <https://www.ofgem.gov.uk/publications-and-updates/gas-transmission-project-assessment-process-gtpap-pcd-guidance-and-application-requirements-decision>

³ <https://www.ofgem.gov.uk/publications-and-updates/gas-transmission-project-assessment-process-gtpap-pcd-guidance-and-application-requirements-decision>

4. We have made a number of changes to the proposed text a result of the consultation response, some of which were required to fix typos and other errors. We have set out the reasons for all of the changes we have made in the issues log. The full text of the Price Control Deliverable Reporting Requirements and Methodology Document, including the changes made to The Gas Transmission Project Assessment Process (GTPAP) PCD Guidance and Application Requirements can be found here⁴. A track change version of the Gas Transmission Project Assessment Process (GTPAP) PCD Guidance and Application Requirements, compared with that published on 25 January 2021 can be found here⁵.
5. The reason for this direction is to set out the PCD reporting requirements for the relevant licence conditions, Special Conditions 3.10, 3.11 and 3.12, that must be met in order for the PCDs to have Fully Delivered⁶ status.
6. This direction is our notice of reasons for the purposes of section 38A of the Gas Act 1986.
7. Now the Authority pursuant to the provisions of Special Condition 1.1 (Interpretation and definitions) and Special Conditions 3.10, 3.11 and 3.12 hereby directs that the Price Control Deliverable Reporting Requirements and Methodology Document is issued and will have effect from 19/03/2021.

For more information regarding this Direction you should contact Craig Molyneux (craig.molyneux@ofgem.gov.uk)

Michael Wagner

Deputy Director, Gas Sector, Systems & Networks

Signed on behalf of the Authority and authorised for that purpose by the Authority

⁴ <https://www.ofgem.gov.uk/publications-and-updates/price-control-deliverable-reporting-requirements-and-methodology-document-version-1>

⁵ <https://www.ofgem.gov.uk/publications-and-updates/gas-transmission-project-assessment-process-gtpap-pcd-guidance-and-application-requirements-decision>

⁶ As defined in Special Condition 1.1