

Cadent Gas  
Northern Gas Networks  
Southern Gas Networks  
Wales and West Utilities  
National Grid Gas PLC



Making a positive difference  
for energy consumers

Email: Mohamed.khalif@ofgem.gov.uk

Date: 30/03/2021

Dear Network Companies,

**Direction under Part B of Special Condition 3.9 (Net Zero Pre-construction Work and Small Net Zero Projects Re-opener) to issue the Net Zero Pre-construction and Small Net Zero Projects Re-opener Governance Document**

1. Each of the companies to whom this direction is addressed is the holder of a licence granted or treated as granted under section 7 of the Gas Act 1989.
2. In accordance with paragraph 3.9.5 of Special Condition 3.9 (Net Zero Pre-construction Work and Small Net Zero Projects Re-opener), on 16 February 2021 the Gas and Electricity Markets Authority ("the Authority")<sup>1</sup> published on its website the text of the proposed Net Zero Pre-construction Work and Small Net Zero Projects Re-opener Governance and stated that representations must be made on or before 16 March 2021.
3. We received 5 responses, which we have carefully considered. We have placed all non-confidential responses on our [website](#). Our responses to these comments is set out in the issues log, which can be found alongside this publication.
4. We have made a number of changes to the proposed text as a result of the consultation responses, with our reasons set out in the issues log. The full text of the Net Zero Pre-construction Work and Small Net Zero Projects Re-opener Governance Document, as well as a tracked change version compared with that published on 16 February 2021, can be found [here](#).
5. The reason for this direction is to give effect to our decision in Final Determinations<sup>2</sup> to issue a Governance document which set outs the arrangements for the Net Zero

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

<sup>2</sup> [https://www.ofgem.gov.uk/system/files/docs/2020/12/final\\_determinations\\_-\\_core\\_document.pdf](https://www.ofgem.gov.uk/system/files/docs/2020/12/final_determinations_-_core_document.pdf)

Pre-construction Work and Small Net Zero Projects Re-opener, as required by Part B of Special Condition 3.9.

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 Condition 3.9 hereby directs that the Net Zero Pre-construction Work and Small Net Zero Projects Governance is issued and will have effect from 1 April 2021.

For more information regarding this Direction you should contact Mohamed Khalif  
Mohamed.khalif@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