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For the attention of: Paul O'Donovan & Thomas McLaren

**Re: Cadent's response to the Ofgem Consultation on the Proposed Amendments to the Gas Distribution Networks' Workbooks.**

I write on behalf of Cadent with reference to the consultation on *Proposed Amendments to the Gas Distribution Networks' (GDNs) Workbooks contained in Schedule 2*, published by the Authority on the 27<sup>th</sup> November 2018.

The Network Output Measures (NOMs) approach is a significant step forward for the industry and Cadent is committed to working with Ofgem to ensure that it is appropriately and effectively implemented. Cadent supports the work that has been done in reviewing the alignment of Cadent's GD1 Asset Health Workbooks with the RIIO-GD1 Final Proposals (FP).

We have reviewed the Cadent Table contained within *Appendix 1: Summary of Data Amendments per Asset Category* and the FP Alignment workbooks published alongside the Consultation letter, and agree with the proposed approach to aligning the published workbooks with the FP decisions.

As referenced in the Consultation letter under the *Section: Proposed Changes to the GDNs' Workbooks part three: Other asset data corrections*, it is important to note that through the course of GD1, we continue to improve our understanding of our asset base and the representation of these assets within the NOMs methodology that has been jointly developed with Ofgem through the Safety and Reliability Working Group. This has resulted in changes to our asset volumes since FP. This has been detailed to Ofgem via an e-mail entitled GD Rebasing: Block Valves, Sleeves and LTS Pipelines [OFFICIAL ] on 25<sup>th</sup> September 2018 and associated Supplemental Questions following the population of our 5x4 tables. Cadent understands that these changes have not been reviewed within this consultation and that Ofgem will review and acknowledge these restated asset volumes within the third Consultation on the GDNs' Rebased Targets.

Cadent considers that on completion of this consultation, the proposed amendments to the published workbooks will form the basis for Ofgem's end of period assessment of Cadent's performance on NOMs.



This response is made on behalf of Cadent and can be published by Ofgem.

If you have any further questions please do not hesitate to contact me via email:  
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Yours sincerely  
By email

**Kate Grant**  
Asset Strategy and Investment Manager