

Industry update from Ofgem – up to date as of 4 October 2017

Decision on Modification of Special Condition 5F as a result of the Fleetwood obligated capacity change

On 4 October, we published our decision to amend the licence to reduce the amount of obligated entry capacity made available at Fleetwood to 350 GWh/day. This implements our decision made on 4 August 2017 to change the obligated capacity amount available at Fleetwood. More information can be found at the following URL:

<https://www.ofgem.gov.uk/publications-and-updates/fleetwood-entry-capacity-obligation-modification-special-conditions-national-grid-gas-s-transporter-licence>

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

On 4 October, we published our consultation on proposals relating to the implementation of TAR NC in GB. The deadline for responses to this consultation is 1 November 2017. More information can be found at the following URL:

<https://www.ofgem.gov.uk/publications-and-updates/consultation-proposals-implement-aspects-regulation-eu-2017460-european-network-code-harmonised-transmission-tariff-structures-gas-tar-nc>

Regulatory sandbox 2: Calling for expressions of interest

On 2 October, we requested expressions of interest in the regulatory sandbox window 2. The regulatory sandbox allows for the trialling of innovative business products, services and business models that cannot currently operate under the existing regulations and have the potential to deliver consumer benefits. It is open for expressions of interest until 27 October. More information can be found at the following URL:

<https://www.ofgem.gov.uk/publications-and-updates/regulatory-sandbox-2-calling-expressions-interest>

Approval of BBL's modified access rules

On 20 July 2017 BBL submitted its modified access rules to the authority for approval pursuant to Standard Licence Condition 11A of the Gas Interconnector Licence. On 28 September, we published a letter and an annexed direction explaining our approval of the submitted proposals. More information can be found at the following URL:

<https://www.ofgem.gov.uk/publications-and-updates/approval-bbl-s-modified-access-rules>

Notice and direction to make modifications to the RIIO-GT1 PCFM for use in AIP 2017 and publication of the Financial Model

On 13 September, we issued a notice under Part B of Special Condition 4A of the Gas Transmission Licence to propose to modify the GT1 Price Control Financial Model (PCFM). Following this notice, on 27 September, we published a direction to modify the GT1 PCFM and the model itself. This is the

version of the model we intend to use for the Annual Iteration Process (AIP) which will take place by the 30 November 2017. More information can be found at the following URLs:

<https://www.ofgem.gov.uk/publications-and-updates/notice-make-modifications-riio-gt1-pcfm-use-aip-2017>

<https://www.ofgem.gov.uk/publications-and-updates/direction-modify-gt1-pcfm-use-aip-2017>

<https://www.ofgem.gov.uk/publications-and-updates/riio-gt1-financial-model-annual-iteration-process-november-2017>

Decision to approve further changes proposed by National Grid Gas Plc to the Transmission Planning Code (TPC)

On 26th September, we published our letter the purpose of the TPC, our views on the amendments NGG proposes, and our reasons for approving the updated TPC. More information can be found at the following URL:

<https://www.ofgem.gov.uk/publications-and-updates/decision-approve-further-changes-proposed-national-grid-gas-plc-transmission-planning-code-2017>

Decision not to veto National Grid Gas's proposal for exit capacity substitution at Sutton Bridge Power Station

On 21 September, we published our letter explaining our decision not to veto the substitution of unsold NTS exit capacity to Sutton Bridge Power Station from Sutton Bridge DN and Wragg Marsh (Spalding power station) NTS points. More information can be found at the following URL:

<https://www.ofgem.gov.uk/publications-and-updates/decision-not-veto-national-grid-gas-s-proposal-exit-capacity-substitution-sutton-bridge-power-station>

Approval of GNI (UK)'s modified access rules and trilateral agreement

On 15th September we published our decision to approve modified access rules and trilateral agreements submitted by GNI (UK). More information can be found at the following URL:

<https://www.ofgem.gov.uk/publications-and-updates/approval-gni-uk-s-modified-access-rules-and-trilateral-agreement>

Minutes and presentations from the 24th and 25th BEIS-Ofgem European Stakeholder Group for Gas

On 15 September we published the minutes and presentations from the 24th and 25th BEIS-Ofgem European Stakeholder Group for Gas, which took place on 26 January 2017 and on 8 June 2017 respectively. More information can be found at the following URLs:

<https://www.ofgem.gov.uk/publications-and-updates/minutes-and-presentations-24th-beis-ofgem-european-stakeholder-group-gas>

<https://www.ofgem.gov.uk/publications-and-updates/minutes-and-presentations-25th-beis-ofgem-european-stakeholder-group-gas>

Decision on Modification of Special Conditions 1A and 11C as a result of CAM

On 12 September, because of the Capacity Allocation Mechanism (CAM) Network Code incremental capacity arrangements, we published our decision to change NGGT's licence. The changes allow fees and costs related to Planning and Advanced Reservation of Capacity Agreements described in the licence to apply to the allocation of incremental capacity at interconnection points. More information can be found at the following URL:

<https://www.ofgem.gov.uk/publications-and-updates/cam-network-code-modification-special-conditions-national-grid-gas-s-transporter-licence>