Industry update from Ofgem – up to date as of 31 October 2018

Consent for Wales & West Utilities Limited (WWU) to make changes to its transportation charges

The Gas Transporters Licence requires Distribution Network (DN) licencsees to not make any changes to their charges more frequently than once in each formula year, unless Ofgem consents otherwise. Wales & West Utilities Limited (WWU), as a DN licensee, sought Ofgem's consent to change its transportation charges more frequently than once per year. It made this request in order to pass through lower than expected gas transmission charges which are levied by National Grid Gas NTS plc. On 4th October we published a decision letter in which we have consented to WWU's request.

Statutory consultation on the proposed addition of new exit and entry points to National Grid Gas plc's gas transporter licence and associated EU relevant points consultation

On 25th October we published a statutory consultation proposing to modify Part F of Special Condition 5G (Determination of Incremental Obligated Exit Capacity volume and the appropriate revenue drivers to apply) and Part F of Special Condition 5F (Determination of Incremental Obligated Entry Capacity volume and the appropriate revenue drivers to apply) of National Grid Gas plc's (NGG) gas transporter licence. We are proposing to add two new exit points, "Keadby 2 Power Station" and "Eggborough Power Station". We are also proposing to add one new entry point, "Murrow". We are also proposing that we do not consider any of these points to be relevant points under Article 18(4) of the EU Gas Regulation.

Please send us any views on the issues raised in this consultation on or before 22 November 2018 to: kirsty.earle@ofgem.gov.uk.

RIIO-GT1 Price Control Financial Model for the Annual Iteration Process November 2018

Part C of licence condition 4A of the Gas Transmission Licence, requires the Authority to publish the Financial Model it will use for the AIP in November of each regulatory year. On 26th October we published RIIO-GT1 Price Control Financial Model for the Annual Iteration Process November 2018.