

## **Industry update from Ofgem – up to date as of 4 March 2020**

### **RIIO-1 Gas Transmission Annual Report 2018-19**

On 7 February 2020 we published the RIIO1 Gas Transmission Annual Report for 2018-19 (together with other network companies' reports) which gives stakeholders information on the performance of National Grid Gas Transmission (NGGT) against its price control obligations and incentives during the sixth year of the RIIO-1 price control which runs from 2013 to 2021. It also provides information on NGGT's updated forecast for the remaining years of RIIO-1.

URL: <https://www.ofgem.gov.uk/publications-and-updates/riio-1-gas-transmission-annual-report-2018-19>

### **Ofgem Review of GB System Operation – Terms of Reference**

On 13 February 2020 we published the Terms of Reference for the Review of GB System Operation. The aim of the review is to consider the current and future challenges facing GB System Operation and assess whether we have the right governance framework in place to deliver the UK's net zero emissions target at lowest cost to consumers. The review will provide the government with an objective and evidence-based assessment of GB System Operation, in the context of decarbonisation. We set out the context, scope, approach and expected timeline on our website.

URL: <https://www.ofgem.gov.uk/publications-and-updates/ofgem-review-gb-system-operation-terms-reference>

### **South Hook LNG Terminal Company LTD's application for exemption from regulated third party access for additional capacity - Our initial views and questions for consultation**

On the 9 October 2018, South Hook LNG Terminal Company Ltd submitted to us an application for additional capacity of ~5.3 billion cubic meters per year to be exempted from regulated Third Party Access (rTPA) for at least 25 years. The application was consistent with section 19C(2) of the Gas Act 1986 (as amended). The rTPA provisions in relation to LNG import facilities are contained in section 19D of the Gas Act. On 14 February 2020 we published a consultation document setting out Ofgem's initial view that an exemption can be granted for the additional capacity. The consultation closes on 30 March 2020.

URL: <https://www.ofgem.gov.uk/publications-and-updates/south-hook-lng-terminal-company-ltd-s-application-exemption-regulated-third-party-access-additional-capacity-our-initial-views-and-questions-consultation>

### **NTS Charging Methodology Forum (NTSCMF) session with CEPA on UNC678 quantitative analysis - 11 February 2020**

On 11 February 2020, we invited CEPA to the [February NTS Charging Methodology Forum \(NTSCMF\) meeting](#), organised by the Joint Office of Gas Transporters. CEPA delivered a presentation regarding the quantitative analysis it undertook for Ofgem which informed our recent [Gas Transmission Charging Review minded to decision and draft impact assessment](#). After the meeting, CEPA provided written answers to questions raised by industry parties. On 14 February 2020 we published CEPA's presentation and written answers for information.

URL: <https://www.ofgem.gov.uk/publications-and-updates/nts-charging-methodology-forum-ntscmf-session-cep-unc678-quantitative-analysis-11-february-2020>

**Decision to reject Uniform Network Code (UNC) 667: Inclusion and Amendment of the Entry Incremental Capacity Release Net Present Value test in the Uniform Network Code**

On 20 February 2020 we rejected Uniform Network Code (UNC) 667: Inclusion and Amendment of the Entry Incremental Capacity Release Net Present Value test in the Uniform Network Code (UNC667).

URL: <https://www.ofgem.gov.uk/publications-and-updates/decision-reject-uniform-network-code-unc-667-inclusion-and-amendment-entry-incremental-capacity-release-net-present-value-test-uniform-network-code>