

Industry update from Ofgem – as of 03 May 2022

Decision on the proposed Interconnection Agreements between BBL Company and National Grid Gas

On 3 February 2022, an IA between BBLC and NGG was submitted to the Authority for approval in accordance with Standard Licence Condition 3 of the Gas Interconnector Licence. This was followed by an updated copy being submitted on 4 April 2022. On 27 April we approved the Interconnection Agreement.

URL: <https://www.ofgem.gov.uk/publications/decision-proposed-interconnection-agreement-between-bbl-company-and-national-grid-gas>

Decision and direction further to National Grid Gas Plc's request for Derogation under Special Condition 9.18 of its Gas Transporter Licence

On 11 April 2022, NGG submitted an application to Ofgem requesting a derogation pursuant to Special Condition 9.18.16 of NGG's Gas Transporter Licence in respect of Milford Haven.

On 19 April we published a letter setting out our decision to grant the requested derogation for NGG to consult on revisions to the Entry Capacity Release methodology for less than 28 days and to submit its report on the proposed revisions to us without an accompanying statement from an Independent Examiner, in accordance with Special Condition 9.18.16 of NGG's Licence. The direction, which appears annexed to the letter, will give effect to the derogation decision.

URL: <https://www.ofgem.gov.uk/publications/decision-and-direction-further-national-grid-gas-plcs-request-derogation-under-special-condition-918-its-gas-transporter-licence>

Statutory Consultation to modify the Price Control Financial Instruments and Licence conditions for Gas Transmission and Gas Distribution

Statutory consultation on proposals to modify the GT2 and GD2 Price Control Financial Instruments and Licence conditions.

These modifications update the Special Conditions of the Gas Transporter Licence, the Price Control Financial Model (PCFM) and the Price Control Financial Handbook (PCFH) following the recent Price Control Financial Model working groups.

The PCFH is tracked to show the location of modifications relative to previously published versions. We are seeking feedback on the proposed modifications on or before May 18th 2022.

URL: <https://www.ofgem.gov.uk/publications/statutory-consultation-modify-price-control-financial-instruments-and-licence-conditions-gas-transmission-and-gas-distribution>