



Making a positive difference  
for energy consumers

Nicholas Preston  
National Grid  
Warwick Technology  
Park  
Gallows Hill  
Warwick  
CV34 6DA

Email: [david.oneill@ofgem.gov.uk](mailto: david.oneill@ofgem.gov.uk)

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## Decision on the Transmission Planning Code

Dear Nick,

Thank you<sup>1</sup> for submitting the draft Transmission Planning Code (TPC) to us<sup>2</sup> for approval on 26 November 2021.

After careful consideration, we have decided to approve the proposed changes to the TPC. We outline our reasons for doing so below.

### Background

Special Condition 9.11 of National Grid Gas (NGG) Gas Transporter Licence, Special Conditions ('the Licence') requires you to maintain, implement and comply with a TPC which:

- covers all material aspects relating to the planning and development of the National Transmission System (NTS) that may have a material impact on users of the NTS;
- includes a methodology to determine the physical capability of the NTS, and;
- includes detailed planning assumptions about likely developments in the patterns and levels of gas supply and demand on the NTS, and about the operation of the NTS under different gas supply and demand scenarios.

Special Condition 9.11.7 of the Licence provides that the Licensee must, if requested by the Authority, and in any event at least once in every two years, review the TPC in consultation with interested parties likely to be materially affected by the review.

Special Condition 9.11.9 of the Licence requires you to send us the following within 28 days of completing the review:

- a report on the outcome of the review;

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<sup>1</sup> The term "you", "your", and "the Licensee" are used to refer to National Grid Gas plc in this letter.

<sup>2</sup> The terms "the Authority", "Ofgem", "we" and "us" are used interchangeably in this letter. The Authority is the Gas and Electricity Markets Authority. Ofgem is the office of the Authority.

- a statement on proposed changes that would better fulfil the requirements of Part B of Special Condition 9.11;
- any written representations that were received from interested parties.

In accordance with Special Condition 9.11.10, the Authority will:

- (a) approve the revisions proposed by the licensee;
- (b) reject the proposed revisions; or
- (c) reject the proposed revisions and give recommendations as to alternative revisions that it considers should be made.

You issued a consultation on 21st October 2021. The consultation closed on 19th November 2021. You informed us that NGG received no response or comment to the consultation.

### **Proposed amendments to the TPC**

You propose numerous changes to the TPC, including:

- updating the references to several pieces of legislation which have been amended or replaced since the last approval of the TPC in 2019;
- updating text and changes to reflect the UK's exit from the EU;
- changes to reflect updates to the Licence
- updates to reflect changes in policy<sup>3</sup>
- other minor typographical and wording changes.

### **Our view**

We consider the proposed changes better achieve the requirement for the TPC to include detailed planning assumptions about likely developments in the patterns and levels of gas supply and demand on the NTS, and about the operation of the NTS under different gas supply and demand scenarios.

### **Our decision**

Following consideration of the documentation provided and having regard to our principal objective and statutory duties, and for the reasons set out above, we have decided, pursuant to Special Condition 9.11.10 of the Licence, to approve the version of the TPC submitted by you on 26 November 2021.

Please contact Bogdan Kowalewicz at [Bogdan.Kowalewicz@ofgem.gov.uk](mailto:Bogdan.Kowalewicz@ofgem.gov.uk) or on 0207 901 7293 if you have any questions about this decision.

Yours sincerely,

**David O'Neill**  
**Head of Gas Markets and Systems**

Signed on behalf of the Authority and authorised for that purpose.

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<sup>3</sup> Policy changes include the introduction of the Annual Network Capability Assessment Report (ANCAR) and removal of the Generic Revenue Driver Methodology (GRDM).