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for all gas and electricity customers

Ofgem Update – Gas Operational Forum

April 2012

SO Incentives from 2013

- We received nine responses to our consultation document on the Principles and Policies for the regulation of the gas and electricity SOs from April 2013. These responses are available on our website: http://www.ofgem.gov.uk/Pages/MoreInformation.aspx?docid=277&refer=Markets/WhlMkts/EffSystemOps/SystOpIncent

- NG will submit its SO Business Plans to Ofgem by the end of May and Ofgem will publish its Initial Proposals in the summer.

- Should you have any comments or questions, please contact Mathieu Pearson (Mathieu.Pearson@ofgem.gov.uk) or Giuseppina Squicciarini (Giuseppina.Squicciarini@ofgem.gov.uk).

Operating Margins

- On February 24, Ofgem published its Decision letter on the suspension of C3 prices for operating margin services: http://www.ofgem.gov.uk/Pages/MoreInformation.aspx?docid=48&refer=Networks/Trans/GasTransPolicy/LNGPriceControl

- Ofgem assessed the effectiveness of competition resulting from the OM tender process for 2012/13. The key criterion for assessing the effectiveness of competition is whether NGG NTS could purchase the complete volume of each of the OM requirements from providers other than NG LNG.

- The Authority directed the suspension of the application of C3 prices for Orderly rundown and Non-locational services for the duration of the 2012/13 gas storage year.

Links

SO Incentives
http://www.ofgem.gov.uk/Markets/WhlMkts/EffSystemOps/SystOpIncent/Pages/SystOptIncent.aspx

Incentives from April 2012
http://www.ofgem.gov.uk/Pages/MoreInformation.aspx?docid=279&refer=Markets/WhlMkts/EffSystemOps/SystOpIncent

Incentives from 2013
http://www.ofgem.gov.uk/Pages/MoreInformation.aspx?docid=277&refer=Markets/WhlMkts/EffSystemOps/SystOpIncent

Any questions?

If you have any questions please feel free to contact us anytime

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