

Graham Craig
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By email only: Graham.Craig@ofgem.gov.uk

25 July 2024

Dear Graham

National Gas Transmission (NGT) Consultation Response – Bacton Terminal Site Redevelopment – Final Preferred Option Draft Determination

This letter is NGT's response to the Ofgem consultation of 27 July 2024 on NGT's Bacton Terminal Site Redevelopment – Final Preferred Option.

We appreciate the engagement with Ofgem regarding this project and welcome Ofgem's minded-to position to agree our recommended preferred option and issue a Direction under Special Condition 3.10.11 to establish a new Re-opener window.

In Appendix 1 we have provided detailed responses to the questions posed in Ofgem's consultation and provide our comments in respect of the draft direction. We would be happy to discuss our response with you should you seek any points of clarification or further information.

We note Ofgem intends to publish non-confidential responses and we confirm that we do not consider any part of our response to be confidential.

NGT's designated point of contact for this submission is Jessica Lang, Regulatory Development Manager, email Jessica.Lang@nationalgas.com, telephone 07834 804807.

Yours sincerely

J.Lang

Jessica Lang
Regulatory Development Manager

Appendix 1 – NGT response to consultation questions

Question 4.1: Do respondents agree with our assessment of the evidence presented in the Final Option Selection Report?

We welcome Ofgem’s assessment of our evidence presented in support of our FOSR.

We welcome your observation in section 4.5 that an appropriate range of options were considered. We note Ofgem’s observation that the shortlist of options does not include a market-based solution and while the results of the option section process do not warrant revisiting the analysis on this occasion it discourages this approach in future submissions.

We welcome your observation in section 4.7 which considers that an appropriate methodology was used to estimate the cost of shortlisted options. noting a more detailed cost estimation with a higher level of cost confidence will be necessary once the Final Preferred Option has been determined.

Question 5.1: Do respondents agree with our proposed Final Preferred Option?

We welcome Ofgem’s support for our proposed Option 1: Base Case Assert Health as the Final Preferred Option.

Question 5.2: Do respondents agree with our proposed direction to establish a new Re-opener window?

We agree Ofgem’s proposed direction to establish a new Re-opener window between 1 and 31 October 2024.