

## Direction for National Grid Electricity Transmission

To: National Grid Electricity Transmission Plc ("the Licensee")

**Direction issued by the Gas and Electricity Markets Authority ("the Authority")<sup>1</sup> under Special Condition ("SpC") 3.4 Physical security Re-opener and Price Control Deliverable (PSUP<sub>t</sub> and PSUPRE<sub>t</sub>) of the Electricity Transmission Licence ("the Licence") held by the Licensee. In accordance with SpCs 3.4.7 and 3.4.14 to: direct a PSUPO<sub>t</sub><sup>2</sup> value, set out the Physical Security Price Control Deliverable ("PCD") Table as amended and amend Appendix 2 of SpC 3.4.**

### Whereas:

- A1.1 The Licensee is the holder of the Licence granted or treated as granted under section 6(1)(b) of the Electricity Act 1989 ("the Act") and is subject to the conditions contained in the Licence.
- A1.2 SpC 3.4 provides a re-opener mechanism by which the Licensee may seek additional funding during the RIIO-2 price control period for where there has been a change to the works the Licensee is required to carry out under the Physical Security Upgrade Programme.
- A1.3 The Licensee applied under SpC 3.4.7 in June 2024, and the Authority consulted on its Draft Determination between 12 September 2024 and 11 October 2024. Due to the confidential nature of the material the consultation was not made public. The consultation document included a draft of this Direction, as required by SpC 3.4.13
- A1.4 The Authority did not receive any representations.

### Therefore:

- A1.5 The Authority hereby issues a Direction under SpCs 3.4.7 and 3.4.14 to:

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<sup>1</sup> The 'Authority,' 'Ofgem,' 'we' and 'our' may be used interchangeably in this document. The Office of Gas and Electricity Markets (Ofgem) supports the authority in day-to-day work.

<sup>2</sup> As per SpC 3.4.5, PSUPO<sub>t</sub> means the sum of allowances directed by the Authority as a result of Re-openers established by Parts C and D.

- i) direct a value for  $PSUPO_t$ , as specified in paragraph A1.7 of this Direction;
- ii) set out in full the Physical Security PCD Table; and
- iii) amend Appendix 2 of SpC 3.4 as specified in paragraph A.18 of this Direction.

A1.6 This Direction gives effect to the Authority's decision on the Licensee's application under SpC 3.4.7. Further details on the reasons for and effect of this Direction and the modification can be found in the Physical Security Re-opener Final Determinations published on Ofgem's website ([www.ofgem.gov.uk](http://www.ofgem.gov.uk)) on 3 April 2025.

A1.7 This Direction will increase the  $PSUPO_t$  value to £1.406m.

A1.8 A redacted version of the amended Physical Security PCD Table is set out below. The unredacted version is set out in the licensee's Redacted Information Document.

## Appendix 2

### Title and publication date of document containing the Physical Security PCD Table

Title	Publication Date	Version
NGET Redacted Information Document	<del>17 August 2021</del>	<u>As per licence definition</u>

### Physical Security PCD Table (£m 18/19)

Site Ref. <sup>3</sup>	Output	Delivery Date	Allowance					Total Allowance (All years)
			21/22	22/23	23/24	24/25	25/26	
	<u>[Redacted]</u>	<u>[Redacted]</u>	<u>0.000</u>	<u>0.351</u>	<u>0.352</u>	<u>0.352</u>	<u>0.352</u>	<u>1.406</u>
<u>[Redacted]</u>	<u>[Redacted]</u>	<u>[Redacted]</u>	0.000	0.000	0.244	12.918	0.419	13.580
<u>[Redacted]</u>	<u>[Redacted]</u>	<u>[Redacted]</u>	0.000	0.000	0.170	9.034	0.293	9.500

New text is double underlined and deleted text is struck through.

A1.9 This Direction will take effect immediately.

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<sup>3</sup> Site Reference number as per the licensee's RIIO-ET2 Business Plan Data Template

A1.10 This Direction constitutes notice stating the reasons for the decision for the purposes of section 49A of the Act.

Yours sincerely,

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**Pete Wightman**  
**Deputy Director Price Control Operations**  
**For and on behalf of the Authority**  
**3 April 2025**

## Direction for SP Transmission plc

To: SP Transmission plc (“the Licensee”)

**Direction issued by the Gas and Electricity Markets Authority (“the Authority”)<sup>4</sup> under Special Condition (“SpC”) 3.4 Physical Security Re-opener and Price Control Deliverable (PSUP<sub>t</sub> and PSUPRE<sub>t</sub>) of the Electricity Transmission Licence (“the Licence”) held by the Licensee. In accordance with SpCs 3.4.7 and 3.4.14 to: direct a value for PSUPO<sub>t</sub><sup>5</sup> set out the Physical Security Price Control Deliverable (“PCD”) Table as amended and amend Appendix 2 of SpC 3.4.**

### **Whereas:**

- A1.1 The Licensee is the holder of the Licence granted or treated as granted under section 6(1)(b) of the Electricity Act 1989 (“the Act”) and is subject to the conditions contained in the Licence.
- A1.2 SpC 3.4 provides a re-opener mechanism by which the Licensee may seek additional funding during the RIIO-2 price control period for where there has been a change to the works the Licensee is required to carry out under the Physical Security Upgrade Programme.
- A1.3 The Licensee applied under SpC 3.4.7 in June 2024, and the Authority consulted on its Draft Determination between 12 September 2024 and 11 October 2024. Due to the confidential nature of the material the consultation was not public. The consultation document included a draft of this Direction, as required by SpC 3.4.13.
- A1.4 The Authority received a confidential representation from the Licensee.

### **Therefore:**

- A1.5 The Authority hereby issues a Direction under SpCs 3.4.7 and 3.4.14 to:
  - i) direct a value for PSUPO<sub>t</sub>; as specified in paragraph A1.7 of this Direction,
  - ii) set out in full the Physical Security PCD Table; and
  - iii) amend Appendix 2 of SpC 3.4 as specified in paragraph A.18 of this Direction.

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<sup>4</sup> The ‘Authority,’ ‘Ofgem,’ ‘we’ and ‘our’ may be used interchangeably in this document. The Office of Gas and Electricity Markets (Ofgem) supports the authority in day-to-day work.

<sup>5</sup> As per SpC 3.4.5, PSUPO<sub>t</sub> means the sum of allowances directed by the Authority as a result of Re-openers established by Parts C and D.

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- A1.6 This Direction gives effect to the Authority’s decision on the Licensee’s application under SpC 3.4.7. Further details on the reasons for and effect of this Direction and the modification can be found in the Physical Security Re-opener Final Determinations published on Ofgem’s website ([www.ofgem.gov.uk](http://www.ofgem.gov.uk)) on 3 April 2025.
- A1.7 This Direction will increase the PSUPO<sub>t</sub> value to £41.039m.
- A1.8 This Direction will amend Appendix 2 of SpC 3.4 as follows:

## Appendix 2

### Physical security Price Control Deliverable

Site Ref. <sup>6</sup>	Output	Delivery Date	Allowance (£m)					Total Allowance (All years)
			21/22	22/23	23/24	24/25	25/26	
			N/A	N/A	N/A	N/A	N/A	N/A
[Redacted]	[Redacted]	[Redacted]	0.000	0.000	0.000	0.897	1.335	2.233
[Redacted]	[Redacted]	[Redacted]	0.000	0.000	0.000	1.730	2.585	4.314
[Redacted]	[Redacted]	[Redacted]	0.000	0.000	0.000	2.810	4.208	7.018
[Redacted]	[Redacted]	[Redacted]	0.000	0.000	0.000	2.155	3.225	5.380
[Redacted]	[Redacted]	[Redacted]	0.000	0.000	0.000	2.543	3.807	6.350
[Redacted]	[Redacted]	[Redacted]	0.000	0.000	0.000	2.318	2.610	4.928
[Redacted]	[Redacted]	[Redacted]	0.000	0.000	0.000	2.006	1.498	3.505
[Redacted]	[Redacted]	[Redacted]	0.000	0.000	0.000	0.695	1.032	1.728
[Redacted]	[Redacted]	[Redacted]	0.000	0.000	0.000	0.809	0.699	1.508
[Redacted]	[Redacted]	[Redacted]	0.000	0.000	0.000	1.416	0.343	1.759
[Redacted]	[Redacted]	[Redacted]	0.000	0.000	0.000	0.682	1.634	2.316

New text is double underlined and deleted text is struck through.

- A1.9 This Direction will take effect immediately.
- A1.10 This Direction constitutes notice stating the reasons for the decision for the purposes of section 49A of the Act.

Yours sincerely,

**Pete Wightman**  
**Deputy Director Price Control Operations**  
**For and on behalf of the Authority**  
**3 April 2025**

<sup>6</sup> Site Reference number as per the licensee's RIIO-ET2 Business Plan Data Template

## Direction for National Gas Transmission Plc

To: National Gas Transmission Plc (the “Licensee”)

**Direction issued by the Gas and Electricity Markets Authority (“the Authority”)<sup>7</sup> under Special Condition (“SpC”) 3.4 Physical Security Re-opener and Price Control Deliverable (PSUP<sub>t</sub> and PSUPRE<sub>t</sub>) of the Gas Transporter Licence (“the Licence”) held by the Licensee. In accordance with SpC 3.4.14 to: direct a PSUPO<sub>t</sub><sup>8</sup> value, set out the Physical Security PCD Table as amended and amend Appendix 2 of SpC 3.4.**

### **Whereas:**

- A1.1 The Licensee is the holder of the Licence granted or treated as granted under section 7 of the Gas Act 1989 (“the Act”) and is subject to the conditions contained in the Licence.
- A1.2 SpC 3.4 provides a re-opener mechanism by which the Licensee may seek additional funding during the RIIO-2 price control period where there has been a change to the works the Licensee is required to carry out under the Physical Security Upgrade Programme.
- A1.3 The Licensee applied under SpC 3.4.7 in June 2024, and the Authority consulted on its Draft Determination between 2024 12 September and 11 October 2024. Due to the confidential nature of the material the consultation was not public. The consultation document included a draft of this Direction, as required by SpC 3.4.13.
- A1.4 The Authority received a confidential representation from the Licensee.

### **Therefore:**

- A1.5 The Authority hereby issues a Direction under SpCs 3.4.7 and 3.4.14 to:
  - i) direct a value for PSUPO<sub>t</sub>; as specified in paragraph A1.7 of this Direction,
  - ii) set out in full the Physical Security PCD Table; and
  - iii) amend Appendix 2 of SpC 3.4 as specified in paragraph A.18 of this Direction.

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<sup>7</sup> The ‘Authority,’ ‘Ofgem,’ ‘we’ and ‘our’ may be used interchangeably in this document. The Office of Gas and Electricity Markets (Ofgem) supports the authority in day-to-day work.

<sup>8</sup> As per SpC 3.4.5, PSUPO<sub>t</sub> means the sum of allowances directed by the Authority as a result of Re-openers established by Parts C and D.

- A1.6 This Direction gives effect to the Authority’s decision on the Licensee’s application under SpC 3.4.7. Further details on the reasons for and effect of this Direction and the modification can be found in the Physical Security Re-opener Final Determinations published on Ofgem’s website ([www.ofgem.gov.uk](http://www.ofgem.gov.uk)) on 3 April 2025.
- A1.7 This Direction will increase the PSUPO<sub>t</sub> value to £21.264m.
- A1.8 A redacted version of the amended Physical Security PCD Table is set out below. The unredacted version is set out in the licensee’s Redacted Information Document.

## Appendix 2

### Title and publication date of document containing the Physical Security PCD Table

Title	Publication Date	Version
NGGT Redacted Information Document	3 February 2021	As per licence definition

### Physical Security PCD Table (£m 2018/19)

Site	Output	Delivery Date	Allowance					Total Allowance (All years)
			2021/22	2022/23	2023/24	2024/25	2025/26	
[Redacted]	[Redacted]	[Redacted]	0.000	0.000	0.000	0.086	0.000	0.086
[Redacted]	[Redacted]	[Redacted]	0.000	0.000	0.000	1.074	8.948	10.022
[Redacted]	[Redacted]	[Redacted]	0.000	0.000	0.000	0.000	1.093	1.093
[Redacted]	[Redacted]	[Redacted]	0.000	0.000	0.000	2.869	2.869	5.738
[Redacted]	[Redacted]	[Redacted]	0.000	0.000	0.000	0.071	0.000	0.071
[Redacted]	[Redacted]	[Redacted]	0.000	0.000	0.000	0.175	1.374	1.550
[Redacted]	[Redacted]	[Redacted]	0.000	0.000	0.091	0.690	0.050	0.830
[Redacted]	[Redacted]	[Redacted]	0.000	0.000	0.000	0.162	0.162	0.323
[Redacted]	[Redacted]	[Redacted]	0.000	0.000	0.000	0.241	0.377	0.619
[Redacted]	[Redacted]	[Redacted]	0.000	0.000	0.000	0.000	0.776	0.776
[Redacted]	[Redacted]	[Redacted]	0.000	0.000	0.000	0.157	0.000	0.157
[Redacted]	[Redacted]	[Redacted]	1.120	1.580	0.000	0.000	0.000	2.700
[Redacted]	[Redacted]	[Redacted]	1.140	1.600	0.000	0.000	0.000	2.740
[Redacted]	[Redacted]	[Redacted]	1.250	1.700	0.000	0.000	0.000	2.950
[Redacted]	[Redacted]	[Redacted]	1.020	1.420	0.000	0.000	0.000	2.440
[Redacted]	[Redacted]	[Redacted]	1.190	1.680	0.000	0.000	0.000	2.870
[Redacted]	[Redacted]	[Redacted]	1.190	1.560	0.000	0.000	0.000	2.750
[Redacted]	[Redacted]	[Redacted]	1.440	1.940	0.000	0.000	0.000	3.380

Site	Output	Delivery Date	Allowance					Total Allowance (All years)
			2021/22	2022/23	2023/24	2024/25	2025/26	
<u>[Redacted]</u>	<u>[Redacted]</u>	<u>[Redacted]</u>	<u>1.220</u>	<u>1.680</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>2.900</u>
<u>[Redacted]</u>	<u>[Redacted]</u>	<u>[Redacted]</u>	<u>0.030</u>	<u>1.750</u>	<u>1.030</u>	<u>0.000</u>	<u>0.000</u>	<u>2.810</u>

New text is double underlined and deleted text is struck through.

A1.9 This Direction will take effect immediately.

A1.10 This Direction constitutes notice stating the reasons for the decision for the purposes of section 38A of the Act.

Yours sincerely,

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**Pete Wightman**  
**Deputy Director Price Control Operations**  
**For and on behalf of the Authority**  
**3 April 2025**



## Direction for Electricity Northwest Ltd

To: Electricity North West Ltd (the “Licensee”)

**Direction issued by the Gas and Electricity Markets Authority (“the Authority”)<sup>9</sup> under Part A of Special Condition (“SpC”) 3.2 Uncertain Costs Re-opener of the Electricity Distribution Licence (“the Licence”) held by the Licensee. In accordance with SpC 3.2.11 to modify the value of PSUP<sub>t</sub> in Appendix 1 of SpC 3.2.**

### **Whereas:**

- A1.1 The Licensee is the holder of the Licence granted or treated as granted under section 6(1)(c) of the Electricity Act 1989 (the “Act”) and is subject to the conditions contained in the Licence.
- A1.2 Part A of SpC 3.2 provides a re-opener mechanism by which the Licensee may seek additional funding during the RIIO-2 price control period for where there has been a change to the Physical Security Scope of Work and the licensee has incurred or expects to incur additional costs.
- A1.3 The Licensee applied under SpC 3.2.7 in June 2024, and the Authority consulted on its Draft Determination between 12 September 2024 and 11 October 2024. Due to the confidential nature of the material the consultation was not public. This document included a draft of this Direction, as required by SpC 3.2.125.
- A1.4 The Authority received a confidential representation from the Licensee.

### **Therefore:**

- A1.5 The Authority hereby issues a Direction under SpC 3.2.11 to modify the value of PSUP<sub>t</sub> in Appendix 1 of SpC 3.2.
- A1.6 This Direction gives effect to the Authority’s decision on the Licensee’s application under SpC 3.2 (Part A). Further details on the reasons for and effect of this Direction and the modification can be found in the Physical Security Re-opener Final Determinations published on Ofgem’s website ([www.ofgem.gov.uk](http://www.ofgem.gov.uk)) on 3 April 2025.
- A1.7 This Direction will increase the total PSUP<sub>t</sub> value by £0.530m and update Appendix 1 of SpC 3.2 as follows:

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<sup>9</sup> The ‘Authority,’ ‘Ofgem,’ ‘we’ and ‘our’ may be used interchangeably in this document. The Office of Gas and Electricity Markets (Ofgem) supports the authority in day-to-day work.

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**Uncertain Costs without Evaluative Price Control Deliverables allowances (£m)**

	<b>Allowance 2023/24</b>	<b>Allowance 2024/25</b>	<b>Allowance 2025/26</b>	<b>Allowance 2026/27</b>	<b>Allowance 2027/28</b>	<b>Total Allowance (All years)</b>
PSUP <sub>t</sub>	0	0	0	0	0	0
PSUP <sub>t</sub>	<u>0.000</u>	<u>0.133</u>	<u>0.398</u>	<u>0.000</u>	<u>0.000</u>	<u>0.530</u>

New text is double underlined and deleted text is struck through.

A1.8 This Direction will take effect immediately.

A1.9 This Direction constitutes notice stating the reasons for the decision for the purposes of section 49A of the Electricity Act.

Yours sincerely,

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**Pete Wightman**  
**Deputy Director Price Control Operations**  
**For and on behalf of the Authority**  
**3 April 2025**

## Direction for Northern Powergrid (Yorkshire) plc

To: Northern Powergrid (Yorkshire) Plc (the “Licensee”)

**Direction issued by the Gas and Electricity Markets Authority (“the Authority”)<sup>10</sup> under Part A of Special Condition (“SpC”) 3.2 Uncertain Costs Re-opener of the Electricity Distribution Licence (“the Licence”) held by the Licensee. In accordance with SpC 3.2.11 to modify the value of PSUP<sub>t</sub> in Appendix 1 of SpC 3.2.**

### **Whereas:**

- A1.1 The Licensee is the holder of the Licence granted or treated as granted under section 6(1)(c) of the Electricity Act 1989 (the “Act”) and is subject to the conditions contained in the Licence.
- A1.2 Part A of SpC 3.2 provides a re-opener mechanism by which the Licensee may seek additional funding during the RII0-2 price control period for where there has been a change to the Physical Security Scope of Work and the licensee has incurred or expects to incur additional costs.
- A1.3 The Licensee applied under SpC 3.2.7 in June 2024, and the Authority consulted on its Draft Determination between 12 September 2024 and 11 October 2024. Due to the confidential nature of the material the consultation was not public. The consultation document included a draft of this Direction, as required by SpC 3.2.125.
- A1.4 The Authority received a confidential representation from the Licensee.

### **Therefore:**

- A1.5 The Authority hereby issues a Direction under SpC 3.2.11 to modify the value of PSUP<sub>t</sub> in Appendix 1 of SpC 3.2, as set out in paragraph A1.7 of this Direction.
- A1.6 This Direction gives effect to the Authority’s decision on the Licensee’s application under SpC 3.2 (Part A). Further details on the reasons for and effect of this Direction and the modification can be found in the Physical Security Re-opener Final Determinations published on Ofgem’s website ([www.ofgem.gov.uk](http://www.ofgem.gov.uk)) on 3 April 2025.

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<sup>10</sup> The ‘Authority,’ ‘Ofgem,’ ‘we’ and ‘our’ may be used interchangeably in this document. The Office of Gas and Electricity Markets (Ofgem) supports the authority in day-to-day work.

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A1.7 This Direction will increase the total  $PSUP_t$  value by £2.074m and update Appendix 1 of SpC 3.2 as follows:

**Appendix 1**

**Uncertain Costs without Evaluative Price Control Deliverables allowances (£m)**

	<b>Allowance 2023/24</b>	<b>Allowance 2024/25</b>	<b>Allowance 2025/26</b>	<b>Allowance 2026/27</b>	<b>Allowance 2027/28</b>	<b>Total Allowance (All years)</b>
$PSUP_t$	$\theta$	$\theta$	$\theta$	$\theta$	$\theta$	$\theta$
$PSUP_t$	<u>0</u>	<u>0.954</u>	<u>0.963</u>	<u>0.078</u>	<u>0.079</u>	<u>2.074</u>

New text is double underlined and deleted text is struck through.

A1.8 This Direction will take effect immediately.

A1.9 This Direction constitutes notice stating the reasons for the decision for the purposes of section 49A of the Electricity Act.

Yours sincerely,

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**Pete Wightman**  
**Deputy Director Price Control Operations**  
**For and on behalf of the Authority**  
**3 April 2025**

## Direction for National Grid Electricity Distribution

To: National Grid Electricity Distribution (East Midlands) plc, National Grid Electricity Distribution (South Wales) plc, National Grid Electricity Distribution (South West) plc, and National Grid Electricity Distribution (West Midlands) plc (“the Licensees”)

**Direction issued by the Gas and Electricity Markets Authority (“the Authority”)<sup>11</sup> under Part A of Special Condition (“SpC”) 3.2 Uncertain Costs Re-opener of the Electricity Distribution Licence (“the Licences”) held by the Licensees. In accordance with SpC 3.2.11 to modify the value of PSUP<sub>t</sub> in Appendix 1 of SpC 3.2.**

### **Whereas:**

- A1.1 The Licensees are the holders of Licences granted or treated as granted under section 6(1)(c) of the Electricity Act 1989 (the “Act”) and are subject to the conditions contained in the Licences.
- A1.2 Part A of SpC 3.2 provides a re-opener mechanism by which the Licensees may seek additional funding during the RII0-2 price control period for where there has been a change to the Physical Security Scope of Work and the Licensees have incurred or expect to incur additional costs.
- A1.3 The Licensees applied under SpC 3.2.7 in June 2024, and the Authority consulted on its Draft Determination between 12 September 2024 and 11 October 2024. Due to the confidential nature of the material the consultation was not public. The consultation document included a draft of this Direction, as required by SpC 3.2.125.
- A1.4 The Authority received a confidential representation from the Licensees.

### **Therefore:**

- A1.5 The Authority hereby issues a Direction under SpC 3.2.11 to modify the value of PSUP<sub>t</sub> in Appendix 1 of SpC 3.2 of the Licensees’ Licences.
- A1.6 This Direction gives effect to the Authority’s decision on the Licensees’ application under SpC 3.2 (Part A). Further details on the reasons for and effect of this Direction and the modification can be found in the Physical Security Re-opener Final Determinations published on Ofgem’s website ([www.ofgem.gov.uk](http://www.ofgem.gov.uk)) on 3 April 2025.

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<sup>11</sup> The ‘Authority,’ ‘Ofgem,’ ‘we’ and ‘our’ may be used interchangeably in this document. The Office of Gas and Electricity Markets (Ofgem) supports the authority in day-to-day work.

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A1.7 This Direction will increase the total  $PSUP_t$  values by £17.051m and Direction will amend Appendix 1 of SpC 3.2 of the Licensee's Licences as follows:

- i) National Grid Electricity Distribution (East Midlands) plc's licence to include the new amended total of investment awarded.

**Uncertain Costs without Evaluative Price Control Deliverables allowances (£m)**

	<b>Allowance 2023/24</b>	<b>Allowance 2024/25</b>	<b>Allowance 2025/26</b>	<b>Allowance 2026/27</b>	<b>Allowance 2027/28</b>	<b>Total Allowance (All years)</b>
$PSUP_t$	0	0	0	0	0	0
$PSUP_t$	<u>0.039</u>	<u>1.499</u>	<u>1.366</u>	<u>1.128</u>	<u>0.663</u>	<u>4.694</u>

- ii) National Grid Electricity Distribution (West Midlands) plc's licence to include the new amended total of investment awarded.

**Uncertain Costs without Evaluative Price Control Deliverables allowances (£m)**

	<b>Allowance 2023/24</b>	<b>Allowance 2024/25</b>	<b>Allowance 2025/26</b>	<b>Allowance 2026/27</b>	<b>Allowance 2027/28</b>	<b>Total Allowance (All years)</b>
$PSUP_t$	0	0	0	0	0	0
$PSUP_t$	<u>0.029</u>	<u>1.244</u>	<u>1.232</u>	<u>1.001</u>	<u>0.593</u>	<u>4.099</u>

- iii) National Grid Electricity Distribution (South West) plc's licence to include the new amended total of investment awarded.

**Uncertain Costs without Evaluative Price Control Deliverables allowances (£m)**

	<b>Allowance 2023/24</b>	<b>Allowance 2024/25</b>	<b>Allowance 2025/26</b>	<b>Allowance 2026/27</b>	<b>Allowance 2027/28</b>	<b>Total Allowance (All years)</b>
$PSUP_t$	0	0	0	0	0	0
$PSUP_t$	<u>0.067</u>	<u>1.889</u>	<u>1.239</u>	<u>1.022</u>	<u>0.597</u>	<u>4.814</u>

- iv) National Grid Electricity Distribution (South Wales) plc's licence to include the new amended total of investment awarded.

**Uncertain Costs without Evaluative Price Control Deliverables allowances (£m)**

	<b>Allowance 2023/24</b>	<b>Allowance 2024/25</b>	<b>Allowance 2025/26</b>	<b>Allowance 2026/27</b>	<b>Allowance 2027/28</b>	<b>Total Allowance (All years)</b>
PSUP <sub>£</sub>	0	0	0	0	0	0
PSUP <sub>t</sub>	<u>0.019</u>	<u>0.946</u>	<u>1.174</u>	<u>0.827</u>	<u>0.478</u>	<u>3.444</u>

New text is double underlined and deleted text is struck through.

A1.8 This Direction will take effect immediately.

A1.9 This Direction constitutes notice stating the reasons for the decision for the purposes of section 49A of the Electricity Act.

Yours sincerely,

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**Pete Wightman**  
**Deputy Director Price Control Operations**  
**For and on behalf of the Authority**  
**3 April 2025**

## Direction for Cadent Gas Ltd

To: Cadent Gas Ltd (the “Licensee”)

**Direction issued by the Gas and Electricity Markets Authority (“the Authority”)<sup>12</sup> under Special Condition (“SpC”) 3.4 Physical security Re-opener and Price Control Deliverable (PSUP<sub>t</sub> and PSUPRE<sub>t</sub>) of the Gas Transporter Licence (“the Licence”) held by the Licensee. In accordance with SpC 3.4.7 and 3.4.14 to: direct a value for PSUPO<sub>t</sub><sup>13</sup> and amend Appendix 2 of SpC 3.4.**

### **Whereas:**

- A1.1 The Licensee is the holder of the Licence granted or treated as granted under section 7 of the Gas Act 1986 (“the Act”) and is subject to the conditions contained in the Licence.
- A1.2 SpC 3.4 provides a re-opener mechanism by which the Licensee may seek additional funding during the RIIO-2 price control period where there has been a change to the works the Licensee is required to carry out under the Physical Security Upgrade Programme.
- A1.3 The Licensee applied under SpC 3.4.7 in June 2024, and the Authority consulted on its Draft Determination between 12 September 2024 and 11 October 2024. This document included a draft of this Direction, as required by SpC 3.4.13.
- A1.4 The Authority received a confidential representation from the Licensee.

### **Therefore:**

- A1.5 The Authority hereby issues a Direction under SpCs 3.4.7 and 3.4.14 to:
  - i) direct a value for PSUPO<sub>t</sub> as set out in paragraph A1.7 of this Direction; and
  - ii) amend Appendix 2 of SpC 3.4, as set out in paragraph A.18 of this Direction.
- A1.6 This Direction gives effect to the Authority’s decision on the Licensee’s application under SpC 3.4.7. Further details on the reasons for and effect of this Direction and the modification can be found in the Physical Security Re-opener

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<sup>12</sup> The ‘Authority,’ ‘Ofgem,’ ‘we’ and ‘our’ may be used interchangeably in this document. The Office of Gas and Electricity Markets (Ofgem) supports the authority in day-to-day work.

<sup>13</sup> As per SpC 3.4.5, PSUPO<sub>t</sub> means the sum of allowances directed by the Authority as a result of Re-openers established by Parts C and D.

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Final Determinations published on Ofgem’s website ([www.ofgem.gov.uk](http://www.ofgem.gov.uk)) on 3 April 2025.

A1.7 This Direction will increase the PSUPO<sub>t</sub> value to £7.919m.

A1.8 This Direction will amend Appendix 2 of SpC 3.4 as follows:

**Physical security Price Control Deliverable allowances by Regulatory Year (£m)**

Site	Output	Delivery Date	21/22	22/23	23/24	24/25	25/26	Total
N/A	N/A	N/A	0.00	0.00	0.00	0.00	0.00	0.00
[Redacted]	[Redacted]	[Redacted]	0.000	0.002	0.088	2.785	1.241	4.116
[Redacted]	[Redacted]	[Redacted]	0.000	0.014	0.401	1.505	0.674	2.594
[Redacted]	[Redacted]	[Redacted]	0.000	0.000	0.000	1.026	0.184	1.210

New text is double underlined and deleted text is struck through.

A1.9 This Direction will take effect immediately.

A1.10 This Direction constitutes notice stating the reasons for the decision for the purposes of section 38A of the Act.

Yours sincerely,

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**Pete Wightman**  
**Deputy Director Price Control Operations**  
**For and on behalf of the Authority**

**3 April 2025**

## Direction for Wales and West Utilities Ltd (WWU)

To: Wales and West Utilities Ltd (the “Licensee”)

**Direction issued by the Gas and Electricity Markets Authority (“the Authority”)<sup>14</sup> under Special Condition (“SpC”) 3.4 Physical security Re-opener and Price Control Deliverable (PSUP<sub>t</sub> and PSUPRE<sub>t</sub>) of the Gas Transporter Licence (“the Licence”) held by the Licensee. In accordance with SpC 3.4.7 and 3.4.14 to: direct a value for PSUPO<sub>t</sub><sup>15</sup> and amend Appendix 2 of SpC 3.4.**

### **Whereas:**

- A1.1 The Licensee is the holder of the Licence granted or treated as granted under section 7 of the Gas Act 1986 (“the Act”) and is subject to the conditions contained in the Licence.
- A1.2 SpC 3.4 provides a re-opener mechanism by which the Licensee may seek additional funding during the RIIO-2 price control period where there has been a change to the works the Licensee is required to carry out under the Physical Security Upgrade Programme.
- A1.3 The Licensee applied under SpC 3.4.7 in June 2024, and the Authority consulted on its Draft Determination between 12 September 2024 and 11 October 2024. This document included a draft of this Direction, as required by SpC 3.4.13.
- A1.4 The Authority received a confidential representation from the Licensee.

### **Therefore:**

- A1.5 The Authority hereby issues a Direction under SpCs 3.4.7 and 3.4.14 to:
  - i) direct a value for PSUPO<sub>t</sub>; as specified in paragraph A1.7 of this Direction, and
  - ii) amend Appendix 2 of SpC 3.4, as specified in paragraph A.18 of this Direction.
- A1.6 This Direction gives effect to the Authority’s decision on the Licensee’s application under SpC 3.4.7. Further details on the reasons for and effect of this Direction and the modification can be found in the Physical Security Re-opener

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<sup>14</sup> The ‘Authority,’ ‘Ofgem,’ ‘we’ and ‘our’ may be used interchangeably in this document. The Office of Gas and Electricity Markets (Ofgem) supports the authority in day-to-day work.

<sup>15</sup> As per SpC 3.4.5, PSUPO<sub>t</sub> means the sum of allowances directed by the Authority as a result of Re-openers established by Parts C and D.

Final Determinations published on Ofgem’s website ([www.ofgem.gov.uk](http://www.ofgem.gov.uk)) on 3 April 2025.

A1.7 This Direction will increase the PSUPO<sub>t</sub> value to £9.605m.

A1.8 This Direction will amend Appendix 2 of SpC 3.4 as follows:

**Physical security Price Control Deliverable allowances by Regulatory Year (£m)**

Site	Output	Delivery Date	21/22	22/23	23/24	24/25	25/26	Total
N/A	N/A	N/A	0	0	0	0	0	0
[Redacted]	[Redacted]	[Redacted]	0.000	0.000	0.000	0.620	4.298	4.917
[Redacted]	[Redacted]	[Redacted]	0.000	0.000	0.000	0.240	4.448	4.687

New text is double underlined and deleted text is struck through.

A1.9 This Direction will take effect immediately.

A1.10 This Direction constitutes notice stating the reasons for the decision for the purposes of section 38A of the Act.

Yours sincerely,

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**Pete Wightman**  
**Deputy Director Price Control Operations**  
**For and on behalf of the Authority**  
**3 April 2025**