

CADENT GAS LIMITED

NATIONAL GRID ELECTRICITY TRANSMISSION PLC

NATIONAL GRID GAS PLC

NORTHERN GAS NETWORKS LIMITED

**SOUTHERN GAS NETWORKS PLC AND SCOTLAND GAS
NETWORKS PLC**

SCOTTISH HYDRO ELECTRIC TRANSMISSION PLC

SP TRANSMISSION PLC

WALES & WEST UTILITIES LIMITED

Appellants

-and-

GAS AND ELECTRICITY MARKETS AUTHORITY

Respondent

CITIZENS ADVICE

Intervener

Permission to intervene

1. On 31 March 2021, the Competition and Markets Authority (CMA) granted the Appellants permission to appeal, pursuant, variously, to section 11C of the Electricity Act 1989 and section 23B of the Gas Act 1986 (the Acts), against the decisions by the Gas and Electricity Markets Authority (GEMA), dated 3 February 2021, to modify the conditions of the Appellants' licences to give effect to the RIIO-ET2 price control decision, the RIIO-GT2 price control decision and the RIIO-GD2 price control decision (the Decisions).
2. The CMA granted permission to the Appellants on condition that the following common grounds of appeal were joined across Appellants which pleaded the ground:
 - Cost of equity
 - Outperformance wedge
 - Ongoing efficiency
 - Licence modification process
3. Other grounds pleaded by individual Appellants are to be heard between the CMA, GEMA and the relevant Appellant.
4. On 23 April 2021, Citizens Advice applied for permission to intervene in the appeals on the following grounds:
 - Cost of equity
 - Outperformance wedge.

Requirement for permission to intervene

5. Under Rule 10.1 of the Competition and Markets Authority Rules for Energy Licence Modification Appeals, 2017 (the Rules), the CMA's permission is required to intervene.
6. Under Rule 10.3, in considering whether to give permission to intervene, the CMA shall take account of all the circumstances including:

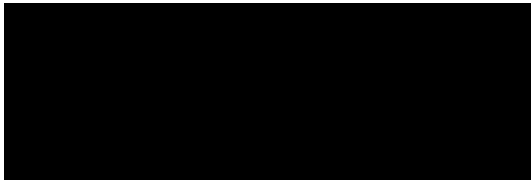
- (a) whether the applicant is materially interested in the outcome of the appeal;
- (b) whether the applicant's intervention in the appeal will assist the CMA to determine the appeal; and
- (c) whether the nature and extent of the intervention sought is proportionate to the matters to be determined.

Decision on permission

- 7. Citizens Advice has a statutory role in relation to gas and electricity consumers. It is a consumer body which, under the Acts, could itself have appealed to the CMA against the appealed decision.¹ The CMA is satisfied that it has a material interest, on behalf of consumers, in the outcome of the appeals on the two grounds above for the purposes of Rule 10.3(a).
- 8. The CMA further considers that Citizens Advice's intervention will assist it to determine the appeals on the two grounds above. Citizens Advice has carried out research in relation to these grounds as part of its statutory role and is able to provide input from the perspective of consumers.
- 9. In the CMA's view, Citizens Advice's proposed intervention, which is limited in scope to the two grounds above, is proportionate to the matters to be determined.

¹ Section 11C(2)(d) Electricity Act 1989 and section 23B(2)(d) Gas Act 1986

10. Accordingly, taking all the relevant circumstances into account pursuant to Rule 10.3, the CMA grants Citizens Advice permission to intervene in the appeals on the two grounds above.



Kirstin Baker
Group Chair
6 May 2021