

## **NORTHERN GAS NETWORKS LIMITED**

**-and-**

## **GAS AND ELECTRICITY MARKETS AUTHORITY**

### **Decision on application to withdraw sub-grounds of appeal**

1. Under cover of a Notice of Appeal received by the Competition and Markets Authority (CMA) on 3 March 2021, Northern Gas Networks Limited (NGN) sought permission to bring an appeal under section 23B of the Gas Act 1986 against the decision by the Gas and Electricity Markets Authority (GEMA), dated 3 February 2021, under section 23 of the Gas Act 1986 to modify the conditions of the NGN licence to give effect to the RIIO-GD2 price control determination.
2. By a decision dated 31 March 2021, the CMA granted permission to NGN pursuant to section 23B and paragraph 1 of Schedule 4A to the Gas Act 1986 to bring an appeal on all grounds set out in its Notice of Appeal.
3. By a submission to the CMA dated 10 May 2021, NGN sought permission pursuant to Rule 8.1 of the CMA's Energy Licence Modification Appeal Rules (the Rules) to withdraw part of its appeal, namely sub-grounds 4A(i) and 4B of Ground 4 of its appeal, in light of GEMA's invitation to the CMA to correct the error identified in NGN's Ground 4A(ii), which increases NGN's Business Plan Incentive Stage 4 reward.
4. Under Rule 8.1 of the Rules, the CMA's permission is required to withdraw an appeal.
5. The CMA hereby grants permission to NGN to withdraw sub-grounds 4A(i) and 4B of Ground 4 of its appeal.

Kirstin Baker  
*Group Chair*  
17 May 2021