

CADENT GAS LIMITED

NORTHERN GAS NETWORKS LIMITED

SOUTHERN GAS NETWORKS PLC AND SCOTLAND GAS

NETWORKS PLC (JOINTLY)

WALES & WEST UTILITIES LIMITED

Appellants

- and -

GAS AND ELECTRICITY MARKETS AUTHORITY

Respondent

CITIZENS ADVICE

Intervener

Permission to Intervene

1. On 31 March 2026, the Competition and Markets Authority (CMA) granted the Appellants permission to appeal, pursuant to section 23B of the Gas Act 1986 (the Act), against the decision by the Gas and Electricity Markets Authority (GEMA), dated 3 February 2026, under section 23(1)(a) of the Act, to modify the gas distribution licences of the Appellants (the Decision) to give effect to the RIIO-GD3 price control determinations.
2. The CMA granted permission to the Appellants on condition that the grounds of their appeals relating to GEMA's assessment of Ongoing Efficiency (OE), which each of the Appellants raised in their respective Notices of Appeal, are to be

considered together.

3. Another ground pleaded by SGN only (Totex Model Allowances) is to be heard between the CMA, GEMA and SGN.
4. On 23 April 2026, the CMA received an application by Citizens Advice for permission to intervene in the appeals to oppose the grounds of the Appellants' appeals relating to OE.
5. Citizens Advice opposes the Appellants' appeals relating to OE for a variety of reasons, including that:
 - (a) challenges with measuring productivity are widely recognised within the field;
 - (b) an element of qualitative assessment is necessary to supplement quantitative estimates;
 - (c) regulated network companies can out-perform UK economy productivity – but the OE target of 1% (or the network companies' proposal of 0.5%) means consumers will not be passed on the full cost savings from the expected leap-frog productivity gains; and
 - (d) GEMA's Decision does not infringe on its 'Finance Duty', that is, to have regard to the need to secure that licence holders are able to finance the activities which are the subject of obligations imposed by or under the legislation cited.

Requirement for permission to intervene

6. Under Rule 10.1 of the Competition and Markets Authority Rules for Energy Licence Modification Appeals, 2022, CMA70 (the Rules),¹ the CMA's permission is required to intervene.
7. Under Rule 10.2, in considering whether to grant 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 granting permission to intervene would be proportionate in the circumstances.

¹ [Energy Licence Modification Appeals: Competition and Markets Authority Rules \(CMA70\)](#).

Decision on permission

8. On 23 April 2026, the application by Citizens Advice for permission to intervene in the appeal was received by the CMA within the period prescribed by Rule 10.3.²
9. Citizens Advice has a statutory role to represent domestic and small business energy consumers in Great Britain. It is a consumer body which, under the Act, could itself have appealed to the CMA against the appealed decision.³ The CMA is satisfied that Citizens Advice is materially interested in the outcome of the appeals relating to OE for the purposes of Rule 10.2(a). This is on the basis of the role played by Citizens Advice in representing domestic and small business energy consumers in Great Britain.
10. The CMA further considers that Citizens Advice's intervention will assist it to determine the appeals on the grounds relating to OE. As the statutory consumer advocate for energy, Citizens Advice has been closely engaged in previous RIIO licence condition review processes, including the Decision. It has a distinct consumer perspective and knowledge of the RIIO-GD3 price control process.
11. In the CMA's view, Citizens Advice's proposed intervention in relation to the OE grounds is proportionate in the circumstances to the matters to be determined.
12. Accordingly, taking account of all the circumstances pursuant to Rule 10.2 and that the CMA may grant permission to intervene subject to conditions it considers appropriate (pursuant to Rule 10.13), the CMA grants permission to Citizens Advice to intervene in the appeals subject to the condition that its intervention is solely in relation to the grounds of appeal relating to OE.
13. To the extent that Citizens Advice wishes to make supplementary submissions or provide additional evidence to the CMA in relation to the grounds of appeal relating to OE, it may apply to the CMA to do so pursuant to Rule 14.5.

² Rule 10.3 provides that an application for permission to intervene must be made before the end of the period of 15 working days beginning with the first working day after the day on which the CMA's decision to grant permission to appeal is published on the CMA's website. That decision was published on 31 March 2026 in the present case.

³ Section 23B(2)(d) of the Gas Act 1986.

Kirstin Baker
Group Chair
28 April 2026