

Dr Marc Rands
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Dear Dr Rands

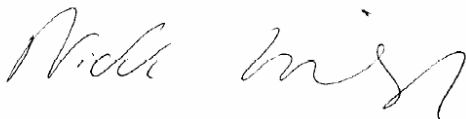
RSE Inquiry into Energy Issues for Scotland

Thank you for the invitation to provide a submission into this inquiry.

National Grid Transco owns and operates the National Gas Transmission System in Great Britain, and four of the eight gas Distribution Networks (DNs). On 1 June 2005, we completed the sale of the other four DNs to new owners. Scotia Networks are now the owner/operator of the Scottish DN. NGT also owns the high voltage electricity transmission network in England & Wales. Since the implementation on 1 April 2005 of BETTA (the British Electricity Transmission and Trading Arrangements) NGT has been the system operator for the GB transmission system, comprising the E&W transmission network and the two Scottish transmission networks.

The structure of the GB gas and electricity markets is such that consideration of the supply-demand outlook for one geographical segment of the market should be seen in the context of the outlook for the whole of Great Britain. In this regard, we publish annual statements for both gas and electricity, setting out potential market developments and their impact on the respective transmission networks. These documents (the [Ten Year Statement](#) (TYS) in gas, and the [Seven Year Statement](#) (SYS) in electricity) are designed to provide information to parties connected to, or contemplating connection to, the transmission networks in order to highlight potential opportunities. In addition to the TYS and SYS, we conduct an annual consultation exercise on the outlook for gas supply and demand, known as Transporting Britain's Energy (TBE). We have recently published a paper ("[Transporting Britain's Energy: Development of NTS Investment Scenarios](#)"), which sets out our latest view of the supply and demand outlook in gas to 2014/15. Each of these documents contains lots of information that I believe you will find relevant to your inquiry.

Yours sincerely



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