



# A25 - NGN RIIO-2

## Gas Holder Strategy

*together*  
we are  
the network

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## 1. Remaining Gas Holders at the start of RIIO-2

We have 24 gas holders that will remain on the network at the start of RIIO-2. In addition to these 24 we have one listed gas holder frame only as the gas holder tank was demolished prior to 2005.

## 2. Gas Holder Demolitions in RIIO-2

We expect that 24 gas holders will be demolished during the RIIO-2 price control. At one of these sites we have another gas holder framework which is listed and so we will only be demolishing the gas holder tank leaving the frame still standing.

## 3. Remaining Gas Holders at the end of RIIO-2

We will not have any gas holders remaining on our network at the end of RIIO-2 however as mentioned above we will have two sites with a gas holder frame which due to listing status will not be demolished during RIIO-2.

### a. Reasons for not demolishing

These two gas holder frames are listed under the Planning (Listed Buildings and Conservation Areas) Act 1990. This means we have a legal responsibility to prevent deterioration and damage to the structures and the legislation gives the local planning authority and the Secretary of State certain rights if it is felt this responsibility is not being met. Significant fines can be levied if it is considered we are not maintaining these assets.

### b. Expected demolition date

We currently do not expect these two gas holder frames to ever be demolished. The best case for consumers is that these sites are sold with the holder frames in situ. The land would likely be sold for a nominal fee due to the presence of the gas holder framework however this would negate the requirement for future maintenance and so would be of benefit for consumers.

### c. Future Requirements

Our properties team have been actively trying to sell both sites during RIIO-1, and whilst there have been interested parties over the years, we have received no formal offers for either site. Based on this, we expect both holders will require maintaining during RIIO-2. We expect to have to repair and paint one of the gas holder frames in RIIO-2 at a cost of c.£1m.

### d. Consumer Interests

It is not envisaged that it is in the consumers interest to demolish the frames as the fine associated with demolishing a listed structure would likely be much more than the cost of maintaining them. It

is also considered that it is not in the wider general public's interest to demolish the gas holder frames as given its listed status it holds a wider societal value that should not be ignored.

#### e. Future site plans

We do not expect the gas holder frames to be demolished in RIIO-2, however our Properties team are actively trying to sell the land. We would expect a nominal fee for the land given the presence of the gas holder framework and the associated land remediation costs. The benefit for the consumer would be the removal of future costs associated with maintenance.

### 4. RIIO-2 Investment Decision Pack

For more detailed information on our RIIO-2 Gas Holder Demolition proposals please see the Engineering Justification Paper and Cost Benefit Analysis in Investment Decision Pack in Appendix A23.L.