

# The role of National Grid in the gas industry

All gas in the UK passes through National Grid's national transmission system on its way to consumers. We are the sole owner and operator of gas transmission infrastructure in the UK, working with other companies to ensure that gas is available where and when it's needed.

The gas industry in the UK has four main elements:

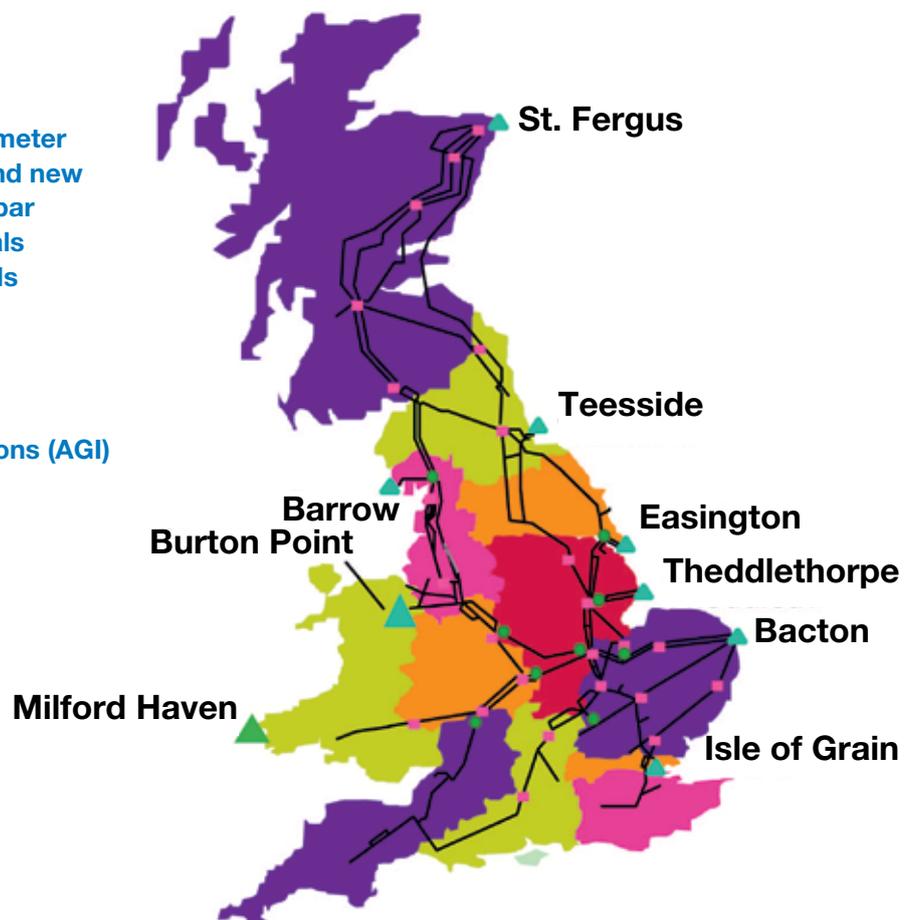
- **Production and importation** – gas comes from offshore fields in the North sea. It's also brought from Belgium and the Netherlands via two interconnector pipes and imported in the form of liquefied natural gas (LNG). We also receive Norwegian gas supplies via pipelines. A small

amount is produced onshore. Gas producers, LNG importers and interconnector operators bring the gas onshore to reception terminals and LNG importation terminals. National Grid owns and operates an LNG importation terminal in Kent.

- **Transmission** – National Grid is the sole owner and operator of gas transmission infrastructure in the UK. Gas producers supply gas to our national transmission system (NTS) through reception terminals. Gas from the importation terminals is injected into the NTS after quality checks. Also, gas that's been held in storage can be reintroduced into the system. Our compressor stations keep the gas flowing through the system.

## Gas National Transmission System (NTS)

- ~8,200km 450-1220mm diameter pipeline – late 1960s to brand new
- Operating pressure 70 – 94bar
- 7 Beach Reception Terminals
- 3 LNG Importation Terminals
- 3 Interconnectors
- 23 compressor stations
- 8 storage sites currently
- 200+ Exit Points
- 400 above ground installations (AGI)



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- **Distribution** – gas leaves the NTS at 49 points across the UK. It's odorised for safety then transported in the distribution networks for final delivery to consumers. There are eight regional distribution networks in the UK, four owned by National Grid and four by other companies.
- **Supply** – whichever gas supplier they choose, gas is delivered to most consumers' premises through a pipe belonging to the local distribution network. Our distribution networks deliver gas to around 10.8 million consumers.

### We don't:

- Produce gas for the UK market.
- Own gas that is conveyed through our national transmission and distribution networks.

### Who pays?

Gas producers and importers sell gas to licensed shippers who then own the gas as it travels through the transmission and distribution networks. Shipping involves buying gas from the producers, arranging for it to be conveyed to supply points (via our NTS) and selling it to gas suppliers. We are not a gas shipper.

Shippers pay us to run their gas through our national

transmission network and LNG importers pay for the right to land LNG at importation terminals. Shippers also pay National Grid and other gas distribution network operators to transport their gas to homes and businesses. These charges are passed on to consumers and reflect the cost of building, maintaining and operating the networks and running a 24-hour gas emergency helpline.

Gas consumers – homes and businesses throughout the UK – have many gas supply companies to choose from. The supply companies pay the gas shippers who buy gas and arrange for it to be transported.

Most of an average domestic bill is for the gas itself. As at December 2012, 16% of a bill was the distribution charge and 2% the transmission charge.

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### Website

For more information on National Grid's gas transmission system visit [www.nationalgrid.com/uk/gas/](http://www.nationalgrid.com/uk/gas/)

### Press office

National Grid press office: **01926 656536**

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### Gas Distribution Network

