

# Business model

## Our purpose

### Leading a clean energy future for everyone

We want every home and business to have access to the energy that they need, when they need it, with nobody left behind on the UK's path to net zero.

## Our vision

### Securing Britain's energy

We will continue to play a critical role in securing the energy needs of the country today, whilst developing the low-carbon gas networks of the future, enabling net zero at an affordable price for consumers.

## Our values

### Progress | Simplicity | Ownership

We work with simplicity, by showing ownership, and by choosing progress over perfection where it's safe to do so. These are our values.

## Our strategic objectives



### 1 Operate safely, reliably and flexibility

Doing the job we're here to do, running our network and metering to the highest standards, never compromising on our people's or customers' safety



### 2 Deliver sustainable value for customers and stakeholders

We listen and respond to customers to make sure we deliver what they need, and we do that with commerciality in mind



### 3 Drive positive environmental and community impact

We think green when maintaining, improving, decommissioning or buying assets



### 4 Invest in our people, grow our capability, and value everyone's contribution

We're nowhere without our teams, and our business is only as good as its people



### 5 Shape the energy markets of the future

We're at the centre of the gas market of the future, working to decarbonise and secure energy supply and leading the hydrogen transition for gas networks

## Our core activities

Asset management

Network optimisation

Pipeline inspection and maintenance

Emergency response

Engineering consultancy

## Our customer deliverables

### Safety

We deliver world-class standards of safety underpinned by a strong "safe every day" culture that strives to ensure our employees, supply chain and members of the public remain free from harm.

### Resilience

We deliver leading levels of network reliability, safeguarding Britain's energy security whilst enabling the transition to a net zero energy system. We only make investments that we are certain are needed, and know that the costs to deliver those investments are efficient

### Security

We protect National Gas people and assets to ensure the business can provide security of supply for the UK. By managing threats to the organisation, we safeguard the systems that enable our business to function safely and effectively, as entrusted by our stakeholders

### Affordability

We keep our portion of the average domestic customer bill to an absolute minimum, around the current average level of three pence per day.

## Performance measures

### Strategic objective 1

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### Strategic objective 2

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### Strategic objective 3

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### Strategic objective 4

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### Strategic objective 5

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## We play a pivotal role in securing energy for today and for the future.

### Securing energy for today and for the future

**Natural gas is the largest primary source of energy in the UK, meeting a third of the country's annual energy needs. Annually, we transport an average of 72 billion cubic metres (787TWh) of gas through our network. This is about three times the energy transported through the country's power networks at just under a tenth of the cost (around £10 per domestic consumer, per annum).**

From our National Control Centre (NCC), we control the flow of gas, making sure it is moved safely and efficiently to where it is needed.

We transport gas to more than half a million businesses, 24 million homes and over 30 power stations. When demand is high or supply from wind and solar power is low, gas-fired power generators are needed to support the electricity system. These gas-fired power stations are directly supplied by our transmission system. The electricity from these gas-fired power stations provides flexible and secure generation, to complement renewable power production.

### Playing a pivotal part in energy security

The UK is committed to reaching net zero by 2050. This means that total greenhouse gas emissions would be equal to the emissions removed from the atmosphere.

However, uncertainty remains as to how the UK will achieve these emissions reduction targets. Due to the complexity of the task, it will be extremely difficult to accurately predict the pathways and timelines for decarbonising the many sectors that will need transformative change: e.g. home heating, industry, the power sector and transport. What is clear, however, is that a range of decarbonisation technologies and pathways will be needed.

The government has also set '95% clean power by 2030' as one of its six milestones for this parliament. This means that generation from 'unabated' gas generation (where there is no technology installed to capture emissions) will make up a maximum of 5% of annual generation, in an average year. In November 2024, the National Energy System

Operator (NESO) published its advice to government on how to achieve 95% clean power by 2030. It stated that large volumes of new wind and solar generation, including 50GW of offshore wind, will need to be built by 2030. This will be a huge challenge.

Alongside other bodies such as the Climate Change Committee and the National Infrastructure Commission, NESO recognises that a clean power system must also be a secure system. In its advice, it states that while levels of gas generation will reduce as the main source of 'dispatchable' generation, it will still be required for security of supply, filling shortfalls during periods of low renewable output, as it does today. NESO forecasts that most of today's gas plants will remain on the system to 2030 and beyond, continuing to be of vital importance to the operation and security of the energy system. NESO's advice also states that as gas power stations are critical to providing security of the energy system, so are the networks that provide reliable and flexible supplies to those power stations.

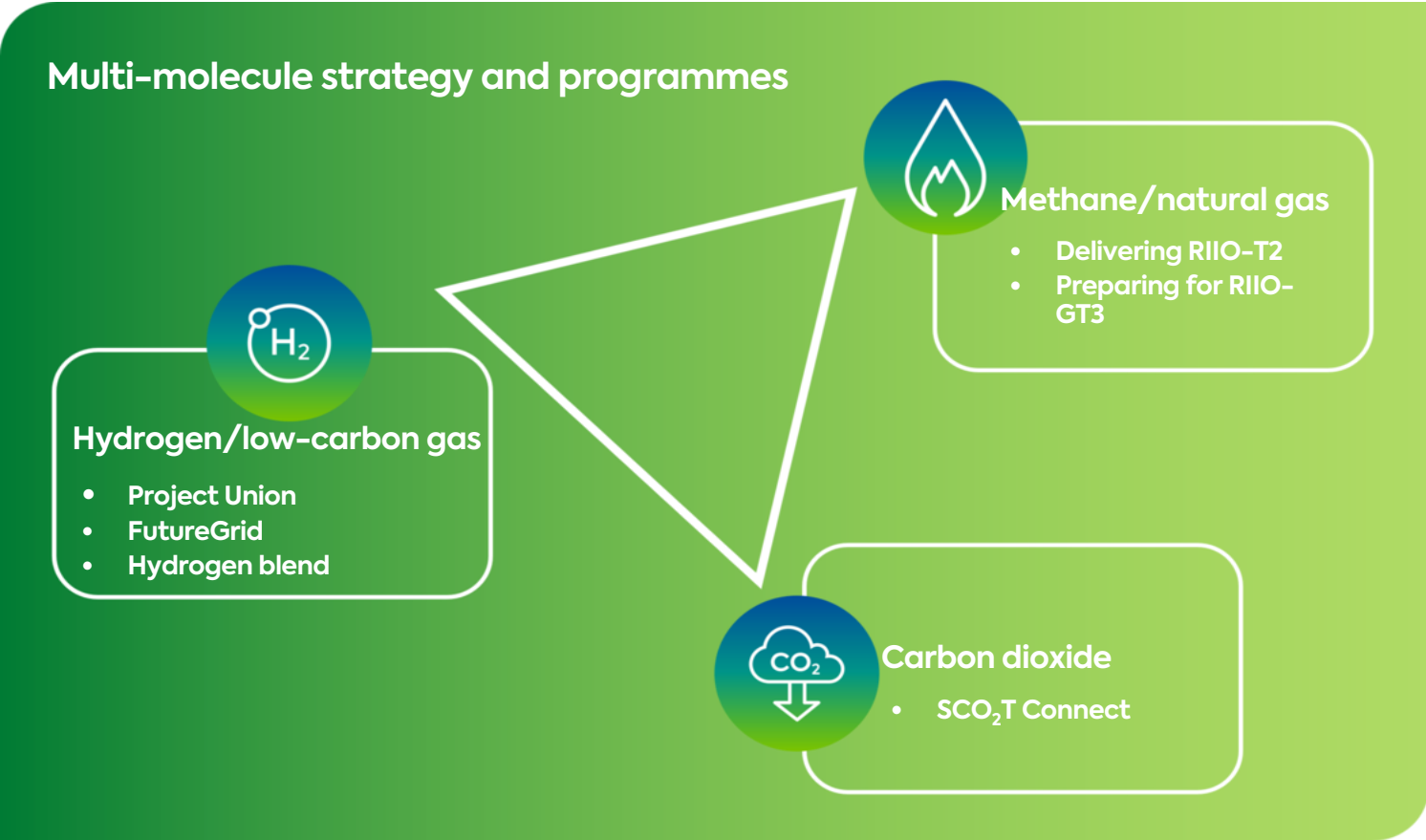
Beyond achieving 95% clean power by 2030, there are a range of whole-energy-system pathways that the UK could take to achieve net zero by 2050. Each will use combinations of gas, electricity, demand management services, biomethane and emerging technologies, such as hydrogen and carbon capture and storage.

In all pathways, it will be essential that energy security is maintained, at an affordable price for consumers. The reliable connectivity that our NTS provides will continue to be essential for a successful transition to net zero, in whichever whole-energy-system pathway the UK takes to get there.

Our strategy

We are committed to supporting the UK to achieve its emissions targets at an affordable price for consumers. This is why our purpose is leading a clean energy future for everyone. Our strategy, which was approved by our Board in November 2023, sets a clear direction for us to achieve our purpose. We will pursue opportunities across three molecules, growing our business into the transportation of green gases (biomethane and hydrogen) and carbon dioxide, alongside natural gas. By pursuing opportunities across all these molecules, we can navigate the uncertain pathways and timelines to achieving net zero in the UK, no matter which scenario, and which combination of technologies, plays out. By delivering our ‘three-molecule strategy’, we are:

- continuing to provide a critical part of the UK’s energy needs today, maintaining reliable energy supplies for power stations, major industries and for the distribution networks that take gas into homes and businesses
- working with our partners from across the energy landscape to create the policy, infrastructure and market conditions to develop the hydrogen and carbon transportation networks of tomorrow, connecting production sites, industrial clusters and storage facilities; supporting a whole-energy-system approach to decarbonisation.



[Read more: Gas energy landscape →](#)

Our role in the gas market

**Infrastructure provider:** We provide a reliable and secure network, efficiently transporting gas from supply points to our customers; heating homes, keeping business running and keeping the lights on.

**Residual balancer:** We balance supply and demand every gas day to minimise impacts on the gas market and our customers.

**Market operator:** We provide market services, including critical systems, information provision and market facilitation services.

**Emergency arrangements:** We develop, coordinate and exercise emergency arrangements on behalf of the industry whilst providing an independent authority via the Office of the Network Emergency Coordinator (NEC).

**Engineering consultancy:** We provide engineering consultancy and design management services for clients involved in the development and ownership of infrastructure projects in the energy sector.

Looking to the future

For the next financial year (FY26) we will adapt our strategic priorities to focus on successfully delivering our remaining RIIO-T2 regulatory commitments, ensuring we are ready to go on day 1 of the next regulatory period (RIIO-GT3), and ensuring that the role of gas, hydrogen and carbon capture is recognised in the current, and future, energy mix in the UK. With this in mind, we will focus on a revised set of objectives for the coming year.

Objectives for 2025/26



Build our foundations

This focuses on continuing to build our capabilities to grow and be successful



Deliver and close RIIO-T2

This focuses on delivering all of our RIIO-T2 regulatory commitments and achieving our safety, operational, customer, environmental and financial performance targets



Secure and prepare for RIIO-GT3

This focuses on agreeing a financeable RIIO-GT3 business plan with Ofgem and getting ready to go on day 1



Earn a seat at the table

This focuses on ensuring that the role of natural gas, hydrogen and carbon capture in the UK energy mix is recognised, and we are seen as the right partner for the country to deliver the transportation infrastructure



Shape the future

This priority focuses on the delivery of our hydrogen, carbon dioxide and biomethane priority programmes