

# Scotland Gas Networks Connections Business Rules

## V4

Effective from 3<sup>rd</sup> April 2024



# SGN

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## 1 Foreword

This document has been approved by the Head of Connection Services for use by Scotland Gas Networks from 3<sup>rd</sup> April 2024.

Scotland Gas Network's Connections Business Rules have been developed to clarify the approach that should be taken by managers and staff in the provision of connections quotes, customer acceptances and job completion activities. Users of this document should ensure that they are using the current version of the document held on SGN's Internet or Intranet site.

## 2 Introduction

The Business Rules detail how SGN classifies new connection, disconnection, mains diversions and service alteration requests, the standard of service offered and what compensation is applicable for failure to meet a particular standard of service.

For information, Ofgem are not required to formally approve the contents of this document. The Business Rules detail: -

- SGN's obligations under Standard Special Licence Condition D10, provision of connections information; and The Gas (Standards of Performance) Regulations 2005; The Gas (Standards of Performance) (Amendment) Regulations 2008; The Gas (Standards of Performance) (Amendment) Regulations 2021 and the Standard Condition 4b statement of the Gas Transporters Licence for Scotland Gas Networks. For this document these will be referred to as the Statutory Instrument (SI).
- SGN's voluntary standards of service compensation scheme and how SGN will treat connection requests not captured by either the Statutory Instrument or SGN's voluntary standards of service compensation scheme.
- SGN's minimum information requirements for all requests.
- SGN's connections quote accuracy scheme.
- Those types of requests excluded from the Scheme(s).

SGN will pay compensation to customers when SGN does not meet the performance target for requests captured by the SI or the SGN Voluntary standards of service compensation scheme (subject to the provisions of the SI, licence, and these business rules) for:

- the provision of quotes for obtaining a new or altering an existing connection, service disconnection or mains diversion.
- responding to land enquiries - includes Utility Infrastructure Providers (UIP) design appraisals;
- providing a date for commencement of works, following quote acceptance for a new or altering an existing connection;
- substantial completion of works within timescales agreed with the customer for a new or altering an existing connection;
- payment for failure of a standard within the period defined in regulation 12 of the SI.

Scotland Gas Networks operates an accuracy scheme and will refund any overcharge identified as part of an accuracy challenge where:

- Quote Amounts are found to be not in accordance with SGN's Licence Condition 4B statement.

The terms of the accuracy scheme can be amended from time to time with the consent of the Gas and Electricity Markets Authority (the Authority).

This scheme does not apply to mains diversions as these projects are reconciled on completion.

### 3 Scope

- 3.1 These Business Rules apply to all domestic and non domestic connection, & disconnection requests with: -
- a quote value of up to £250,000, excluding VAT.
  - an operating pressure less than 7bar gauge. Or
- 3.2 These Business Rules apply to all mains diversions requests with: -
- a quote value of up to £500,000, excluding VAT.
  - an operating pressure less than 7bar gauge.

### 4 References

Any relevant references are indicated in Appendix A.

### 5 Definitions

The definitions applying to this document are listed in Appendix B.

### 6 Standards of Service

- 6.1 Standards of service will be measured for valid requests within the scope of these Business Rules in the categories detailed in this section unless the request is identified as an exception or an exemption.
- 6.1.1 Exceptions – request types, defined in regulation 10(1) of the SI, that do not qualify for the standards of service within the SI:-
- Connections to new build developments of  $\geq 5$  premises where there is no existing connection.
  - Connections classed as complex connections in a statement issued from time to time by SGN and agreed with the Authority after such consultation as the Authority directs.
  - Connections classed as excluded connections in a statement issued from time to time by SGN and agreed with the Authority.
  - Where the customer has failed to provide to SGN such minimum information as required from the customer in order to provide a quote.
  - IGT and UIP connection requests for new build  $\geq 5$  premises.
- 6.1.2 Excluded Connections - include, but not limited to:
- 6.1.2.1 Exemptions - a request within the scope of sections 6.2 to 6.8 inclusive will be exempt from the relevant performance standard for the following reasons.
- The 'SI, regulation 13 Exemptions' are:
- The customer informs the relevant operator before the contravention time that the customer does not wish the relevant operator to take any action in relation to the matter.
  - The customer agrees with the relevant operator that the action taken by the relevant operator before the contravention time shall be treated as the taking by the relevant operator of the action required by the regulation and, where the action taken by the relevant operator includes a promise to perform any action (whether before or after the contravention time), the relevant operator duly performs that promise.
  - Where information is or is required to be provided by the customer to the relevant operator, the customer has failed to provide that information within normal working hours.
  - It was not reasonably practicable for the relevant operator to take the action required by the regulation before the contravention time as a result of -
    - a) severe weather conditions;
    - b) industrial action by the employees or contractors of the relevant operator;

- c) the act or default of a person other than an officer, employee or agent of the relevant operator, or a person acting on behalf of an agent of the relevant operator;
- d) the inability of the relevant operator to obtain any necessary access to any premises;
- e) the existence of circumstances by reason of which the relevant operator could reasonably expect that if he took the action he would or would be likely to be in breach of an enactment;
- f) the effects of an event for which emergency regulations have been made under Part 2 of the Civil Contingencies Act 2004;
- g) delays imposed by a requirement to obtain a permit for street works under the Traffic Management Act 2004; or
- h) other circumstances of an exceptional nature beyond the control of the relevant operator,

and the relevant operator had taken all such steps as it was reasonable to take both to prevent the circumstances from occurring and to prevent them from having that effect.

- The relevant operator reasonably considers that the information given by the customer was frivolous or vexatious.
- The customer has -
  - a) committed an offence under paragraph 10 or 11 of schedule 2B to the Gas Act 1986 (as amended) (the Act), or
  - b) failed to pay any charges due to the relevant operator after receiving a notice under paragraph 7 of Schedule 2B to the Act,

and the action taken or not taken by the relevant operator was in exercise of their powers under the relevant paragraph or sub-paragraph.

- The relevant gas transporter has disconnected or refused to connect the customer's premises in exercise of a power under Schedule 2B to the Act.
- In this regulation "contravention time" means-
  - a) in relation to regulations 10, 12 and 13 of the SI, the time at which, if this regulation and any other exemption contained in that regulation did not apply, the relevant operator would become liable to pay the prescribed sum to the customer.

And the 'Statutory Instrument, regulation 10 (6) of the SI Exceptions' are:

- Each of the circumstances described in regulation 13 of the SI provided that in relation to paragraph (6) of that regulation, the relevant gas transporter gave the customer not less than one working day's prior warning (whether or not in writing) that he would be unable to keep the timed appointment, or the circumstances referred to in that paragraph occurred at a time when it was not reasonably practicable to give such a warning;
- That the making of an additional payment of the prescribed additional sum in respect of the continuation of any one breach under sub-paragraphs (3)(a)(b)(c)(d)(e)(f) would cause the aggregate of the prescribed payments to the customer in respect of that breach to exceed the lesser of the prescribed cap or the quote sum;
- That the relevant gas transporter is unable to provide an accurate quote within the relevant time scales, since the quote will include costs that can only be negotiated with and paid to a third party;
- That consents are required from third parties and such consents have not been obtained;
- In respect of a standard or non-standard quote made without a site visit, that an assumption made by the relevant gas transporter in providing the quote turns out to be incorrect because information provided by the customer was either incomplete or incorrect;

- That any visit is made wholly or mainly in connection with disconnecting the premises in exercise of the power contained in paragraph 7 of Schedule 2B to the Act;
- Where the service relates to the provision of metering services as defined in the licence of the gas transporter issued under section 7 of the Act; or
- In respect of regulation 10(1) (a), (b) and (c) of the SI the gas transporter considers that a request or requests given by the customer or a person acting with apparent authority for one or more customers were frivolous or vexatious.

6.1.2.2 In relation to Licence Standard Special Condition D10 (7) (e) 'connections classed as excluded connections by the licensee and agreed with the Authority':

- Sufficient complexity jobs.
- Any requests requiring an element of reinforcement.
- Requests deferred by the customer or no response from customer where a request for further information or to plan a site visit has been made
- Self Quotes are excluded only from the Quotes standard.
- Budget Indication or C3 diversion requests.
- Sites of special scientific interest (SSSI) and other national or internationally designated sites such as, but not limited to, National Parks, World heritage sites and nature reserves.

6.2 Standard Quote =<275kWh per hour – D+4 for new, alteration or disconnection of service quote production.

A valid Quote request within this category will:-

- Be within the scope of these business rules.
- Meet the relevant minimum information criteria.
- Have a one-off connection capacity of less or equal to 275kWh per hour.
- Meet the Standard Charge criteria defined within the current Licence Condition 4B statement, e.g. be a desktop quote.
- Not require a site visit.
- Be an individual one-off request.
- Not require a bespoke design.
- Not be an exception (6.1.1) or an excluded connection (6.1.2).

6.3 Non-Std Quote =<275kWh per hour – D+11 for new, alteration or disconnection of service quote production.

A valid Quote request within this category will:-

- Be within the scope of these business rules.
- Meet the relevant minimum information criteria.
- One-off request to have a connection capacity of less or equal to 275kWh per hour.
- May require a site visit.
- Not be an exception (6.1.1) or an excluded connection (6.1.2).
- Where multiple new properties - service work only, no mains required - multiple request with individual premises consumption of =<275kWh per hour.
- Where multiple existing properties – service work only, no mains required - multiple request with individual premises consumption of =<275kWh per hour.
- Where a main is required for multiple new properties or multiple existing properties the aggregate load of the premises for the supply point must be =<275kWh per hour.
- A request for service connections to multiple existing properties that are geographically dispersed i.e. across a number of individual discrete premises addresses – service work only, no main is required, with individual premises consumption of =<275kWh per hour.
- For disconnections to the below 2barg network

6.4 Non-Std Quote >275kWh per hour – D+21 for new, alteration, mains diversion or disconnection of service quote production.

A valid Quote request within this category will:-

- Be within the scope of these business rules.
- Meet the relevant minimum information criteria.
- Have a one-off connection capacity of greater than 275kWh per hour.
- Not be an exception (4.1.1) or an excluded connection (4.1.2).
- Where multiple new properties - service work only, no mains required - multiple request with individual premises consumption of >275kWh per hour.
- Where multiple existing properties – service work only, no mains required - multiple request with individual premises consumption of >275kWh per hour.
- Where a main is required for multiple new properties or multiple existing properties the aggregate load of the premises for the supply point must be >275kWh per hour.
- A request for service connections to multiple existing properties that are geographically dispersed i.e. across a number of individual discrete premises addresses – service work only, no main is required, with individual premises consumption of >275kWh per hour.
- For disconnections to the above 2barg and less than 7barg network

6.5 Land Enquiries – D+5.

A valid enquiry within this category will be either a land enquiry or an UIP design approval:-

6.5.1 A valid land enquiry will:

- Be within the scope of these business rules.
- Meet the relevant minimum information criteria.
- Include point and pressure requests.
- Include the required load and pressure.
- Not be an exception (6.1.1) or an excluded connection (6.1.2).

6.5.2 A valid UIP design submission will:

- Be within the scope of these business rules.
- Be an acceptance for an UIP connection quote within the categories defined in sections 6.2, 6.3 and 6.4.
- Be a design approval for an UIP connection in line with industry standard and SGN's design submission requirements checklist as published.
- Include the required load and pressure.
- Not be an exception (6.1.1) or an excluded connection (6.1.2).

6.6 Offer date for Commencement & Substantial Completion, =<275kWh and >275kWh per hour – D+17.

A valid quote within this category will:-

- Be within the scope of these business rules.
- Be an acceptance for a quote within the categories defined in sections 6.2, 6.3 and 6.4 or a self quote.

6.7 Substantial Completion by agreed date. Quote up to £1,000, Quote £1,001-£4,000, Quote £4,001-£20,000, Quote £20,001-£50,000, Quote £50,001-£100,000.

The requirement of this standard is the same across the value bands. Substantial completion on or in advance of the agreed substantial completion date meets the required standard.

A valid quote within this category will:-

- Be an acceptance for a quote within the categories defined in sections 6.2, 6.3 and 6.4 above or a self quote.
- Not be an exception (6.1.1) or an excluded connection (6.1.2).

- 6.8 Advise that payment is due and make payment in respect of regulation 10 of the SI, Connections.
- 6.8.1 A valid payment within this category will arise in each case where:-
- SGN fail to dispatch a notice and payment due under sections 5 and section 6, within 10 days of the applicable date.
  - Accuracy payment refunds for requests under section 7 are excluded from this standard and will NOT receive late payment of refund compensation.
- 6.8.2 The applicable date will be:
- Section 6.2, 6.3, 6.4 Quotes – the quote produced date.
  - Section 6.5 Land enquiries – the response date.
  - Section 6.6 Offer date for Commencement & Substantial Completion – the offer letter date.
  - Section 6.7 Substantial Completion by agreed date – the actual substantial completion date.
  - Section 12 Quote Accuracy Challenge – the date of re-quote.

## 7 Statutory instrument standards of service compensation payments.

- 7.1 SGN applies the SI standards of service compensation payments (Appendix C) and accuracy refund payments (section 12 and Appendix D) of these Business Rules for failure to meet the standards of service for valid requests defined in section 6 from;
- an individual customer owner or occupier of a premise including Local Authorities, Landlords and Housing Associations
- 7.2 See **Appendix C – Standards of Service Table of payments** for applicable payments for failure to meet standards of service.
- 7.3 See **Appendix D – Quote Accuracy Table of Payments** for applicable payments for failure to meet standards of quote accuracy.

## 8 Voluntary standards of service compensation payments scheme.

- 8.1 SGN will apply the statutory instrument standards of service compensation payments due under section 5 of these Business Rules on a voluntary basis to valid requests defined in section 4 that would otherwise be excluded from compensation payments under the Statutory Instrument.

These additions are for:

- Requests from third parties e.g. shippers, developers, architects etc
  - IGT and UIP connection requests
  - Land enquiries, including point and pressure requests, for IGT and UIP
- 8.2 The standards of service compensation payments and the accuracy refund payments detailed within this section apply on a voluntary basis and may be withdrawn at SGN's discretion at any time.

## 9 Connections activity not covered by the statutory instrument

- 9.1 The following work types are not included in the guaranteed standards of service covered under sections 6, 7 and 8. They will be included within the scope of the Accuracy Scheme detailed in section 12;
- Any requests requiring an element of reinforcement.  
The following work types are excluded from the Accuracy Scheme:
  - Budget Indications.
  - Design submissions for UIGT and UIP connection requests
- 9.2 SGN will aim to respond to the following requests in a reasonable timescale. There are no guaranteed standards of service or compensation payments made against the following indicative timescales:
- Budget Indications irrespective of load - D+21.
  - Any requests requiring an element of reinforcement - D+21.

## 10 Payments

- 10.1 Where SGN is required to it will make compensation payments for standards of service, in work categories detailed in sections 6.2 to 6.8 inclusive and refunds for accuracy claims detailed in section 12, to the requester.

## 11 Minimum Information

### 11.1 Minimum Information Requirements

11.1.1 'Appendix E – Guide to Minimum Information Requirements' gives an indication which of the defined items in this section are required for each category of request detailed in sections 6.2 to 6.7 inclusive and for multiple enquiries.

NOTE: Within 'Item' descriptions in section 11.2 the text defines the information to be provided by the requestor to satisfy the minimum information requirement.

11.1.2 'Appendix F – Minimum Information Requirements' details the request validation process flow.

11.1.3 The term 'Deferral' will not be used in relation to requests where Minimum Information items are missing.

11.1.4 If the customer has provided all the necessary minimum information as part of the connection request, SGN will process the quote in the normal way.

11.1.5 If the minimum information is not present, SGN will contact the customer or send an advice notice advising them what further information is required. This should be done as soon as reasonably practical and would normally be within 3 working days of receipt of the request. The request will not be progressed until the required information is provided.

11.1.6 Providing the information arrives within 28 calendar days of original request, it will be added to the original request information and progressed in the normal manner. For the determination of performance of the applicable Standard of Service the performance will be measured from the date of receipt of the full minimum information. The original request may be given a new job reference number to aid in the monitoring of standards of service.

11.1.7 If, after 28 calendar days of original request, the information is still not available the request will be cancelled, and the customer should be notified. Should the customer still require a quote all information will need to be re-submitted and raised as a completely new request.

### 11.2 Description of Minimum Information Requirements

The following lists the minimum information requirements for valid requests together with the selection criteria.

#### **ITEM 1            Customer**

i. **Customer details** - This should be the **Customer's (where the request has come from and whom the GT will invoice)** name and address and must include a full **postcode**, contact name, telephone number and if available email address.

#### ii. **Capacity in which the Customer is acting**

Select from the following options:

- End User Customer.
- Shipper/Supplier.
- Shipper/Supplier Agent.
- IGT.
- UIP.
- Developer.
- Agent.
- Local Authority etc.

**ITEM 2**      **End User Customer's Name and address – if applicable**

This should be the **End User Customer's** name and address and must include a full **postcode**, contact name, telephone number and if available email address.

Where this is the same as the End User details provided in Item 1 above this should be indicated.

If there is no End User Customer details this must be indicated e.g. not applicable, not available etc.

**ITEM 3**      **Type of request**

The request type should be indicated. The following list sets out the acceptable type definitions that the job should be classified under. The exception is requests for individual domestic premises. These can be defined as a request for new domestic connection / service alteration, as applicable.

- i. **Standard Quote** (section 6.2) - these cover requests as described in the GT's Licence Condition 4B statement where standard charges are applicable without site visits.
- ii. **Non Standard Quote  $\leq 275\text{kWh per hour}$**  (section 6.3) - these cover requests not described in the GT's Licence Condition 4B statement where standard charges are not applicable or a site visit is required.
- iii. **Non Standard Quote  $> 275\text{kWh per hour}$**  (section 6.4) - these cover requests not described in the GT's Licence Condition 4B statement where standard charges are not applicable or a site visit is required.
- iv. **Land Enquiries** (section 6.5) – An indication of the availability of gas, an estimate of pressure, an estimate of the cost of the relevant connection and where appropriate the approval of a design for the provision of a new connection or alteration of an existing connection. The requestor will need to provide the number of premises.
- v. **IGT (CSEP) and UIP connections** - the requestor will need to provide the number of properties for any multiple developments along with an indication of type of heating system for each property, e.g. conventional central heating or combination boiler, and process loads, compressors, boosters etc.
- vi. **Multiple Requests (New Housing & multiple connections)** - the requestor will need to provide the number of properties for any multiple developments along with an indication of type of heating system for each property, e.g. conventional central heating or combination boiler, and process loads, compressors, boosters etc.

**ITEM 4**      **Supply Hourly Quantity (SHQ) in kW (not kWh)**

The exception of the indication of SHQ is single domestic premises (or where a number of individual domestic premises have been bundled in to a single request). Where an SHQ figure is not provided, SGN has set a default of 60kW for requests for new services to domestic premises (30kW for flatted properties) and 30kW for the alteration of a domestic service, where there is no increase in the existing load. Note. Defaults used for domestic premises only apply to those with a maximum of 4 bedrooms, the applicant must confirm the SHQ required for any premises using 5 bedrooms or more.

**ITEM 5**      **Site Name**

The name of the site must be provided where applicable.

If there is no site name this must be indicated e.g. not applicable, not available etc.

**ITEM 6 Site Address and Full Postcode**

Full Postcode required for all sites (default postcodes available). Existing meter point reference number (MPRN) required if disconnection, load increase or alteration. If new development, the requestor must either provide the information item 6 or 7 for new housing and brown field developments.

**ITEM 7 Location/OS Map reference**

Required for a new housing and brown field developments if not provided in 6 above. The minimum requirement is for two letters, followed by six digits (i.e. eight alphanumeric characters). Ten characters are preferable.

**ITEM 8 Annual Quantity (AQ)/Connected System Annual Quantity**

The AQ must be provided per premises or per premises type. The exception of the indication of AQ is single domestic premises (or where a number of individual domestic premises have been bundled into a single request). Where a figure is not provided, SGN has set a default of 12,700 kWh for these requests. Note. Defaults used for domestic premises only apply to those with a maximum of 4 bedrooms, the applicant must confirm the AQ required for any premises using 5 bedrooms or more.

**ITEM 9 Daily Quantity (SOQ)**

The Standard Off-take Quantity is required:

- for requests where the connection is indicated by customer as Daily Metered.
- for IGT and UIP connections where an individual premises has an annual load above 58,600,000 kWh (2 million therms).
- for IGT and UIP connections where premises likely to be aggregated have an annual load above 58,600,000 kWh (2 million therms).

**ITEM 10 First Gas Date**

Required for all customer groups. This is the preferred date of requirement for the first gas availability. A date must be provided, and please note that general request, such as "ASAP", cannot be accepted.

For IGT and UIP requests where the First Gas Date is unknown this must be indicated e.g. not available, not known etc.

**ITEM 11 Plan Showing Position of Service Termination (in relation to existing geography if necessary)**

A plan is required for all connections other than existing domestic premises, a description of termination position is adequate for existing individual property(s). Please note that if the position indicated does not comply with the Gas Safety Regulations and an alternative option is not immediately apparent, then the Minimum Information Requirements may be used to request an alternative position.

i. Standard Quote:

- **New Build** - A plan is required for new build.
- **Flats** – for flats more than 3 metres above ground level, the level of the floor or the height above ground level of the internal connection to the existing riser etc. is required to be specified. An elevation plan should be provided if available.

- ii. **Non-Standard Quote** - For non-standard quotes a plan is required for a new connection request above and below\* 275kWh per hour and for an increase in load request above 275kWh per hour.
- **New Housing, Multiple, IGT and UIP.** A plan is required for new housing & multiple connections, IGT and UIP connections showing the required connection point.

**Minimum plan standards:**

Indicated Scale, e.g. 1:1250, 1:500, 1:100, etc.

North Direction

Legible

**\*Note:**

For non-standard quotes below 275kWh it is recognised that it is not always possible or practical to provide a plan. The approach for dealing with these request types is as follows:

- A plan is required for all new build premises
- For new supplies and increases in load to existing premises, a plan or a suitably dimensioned sketch is preferred and should be provided wherever possible.
- Requests without a plan or sketch will not be automatically rejected and will be progressed, if possible, under the relevant standard.
- Where a plan or a sketch is required to progress a request, then the minimum information process will be utilised to request the information. Quote performance will not be measured until receipt of a valid plan or sketch.

**ITEM 12 Any Known Site Anomalies / Special Features**

Required for all customer requests - e.g. red routes, rail crossings, dual carriageways, listed buildings, designated sites, ecclesiastical, property conversion etc.

If there are none this must be indicated e.g. not applicable, none etc.

**ITEM 13 Any Construction Period Constraints**

Indicate any constraints e.g. restricted working hours, permit to work etc. If there are none this must be indicated e.g. not applicable, none etc.

**ITEM 14 Any Enhanced Facilities required**

Indicate any enhanced facilities required. List of potential options:

**i. Meter of up to 6m<sup>3</sup>/hr e.g. U6 or equivalent.**

- Meter box type: none/semi-concealed/surface/built in/Unibox.
- SGN to excavate, or customer to excavate.

**ii. All quotes > 6m<sup>3</sup>/hr**

- Meter housing and base dimensions (provide full specification of requirements).
- Elevated operating pressure (not applicable to domestic customers).
- SGN to excavate, or the customer/their agent to excavate.

**iii. New Housing & multiple connections**

- Meter box type: none/semi-concealed/surface/built in/Unibox.
- SGN to excavate, or customer to excavate.

If there are none this must be indicated e.g. not applicable, none etc.

**ITEM 15      Future Developments and Phasing**

Required for IGT, UIP and New Housing & multiple connections. The description of any phasing or development should be supported by a plan and proposed future load information.

If there are none this must be indicated e.g. not applicable, none, etc.

**ITEM 16      Intended Usage of Gas**

Required for all requests – Indicate relevant option:

Wholly or mainly domestic.

Wholly or mainly non-domestic.

## **12 Accuracy scheme for new connection and alteration quotes**

A refund, where applicable, will be paid to customers where quote amounts are agreed by SGN, or judged by an expert, to be inaccurate.

SGN will only be liable for an accuracy claim where the original quote is inaccurate.

“Accurate” is defined for quotes issued under sections 6.2 – 6.4 inclusive and section 9 as:

- 6.2 Standard Quote  $\leq 275\text{kWh}$  per hour – the correct amount as specified in SGN’s connection charging statement issued in accordance with standard condition 4B of its Licence.
- 6.3 Non-Standard Quote  $\leq 275\text{kWh}$  per hour – within 5% or £150 (whichever is greater) of the correct amount as calculated in accordance with SGN’s connection charging statement issued in accordance with standard condition 4B of its Licence.
- 6.4 Non-Standard Quote  $> 275\text{kWh}$  per hour – within 5% or £300 (whichever is greater) of the correct amount as calculated in accordance with SGN’s connection charging statement issued in accordance with standard condition 4B of its Licence.
- 9.1 Connections activity not covered by the statutory instrument or standard special condition D10 - within 5% or £300 (whichever is greater) of the correct amount as calculated in accordance with SGN’s connection charging statement issued in accordance with standard condition 4B of its Licence.

Successful claims will result in a reissued quote to all parties who requested a quote for the same site where that quote is identified as also being inaccurate.

A re-quote issued as a result of a successful accuracy challenge will be defined as having been request received at the same time as the original request that resulted in the inaccurate quote.

In addition to the refund due under the accuracy scheme (Appendix D), a standards of service compensation payment may also be due in line with Appendix C – these will be based on the reissued new quote contract sum not on the original inaccurate quote. The compensation cap for the issue of a quote, will apply to the sum of any compensation payments made, against the original quote and the re-quote.

### 12.1 Rules for Submission of Accuracy Claims.

The procedure for the submission of a claim is as follows:

- These rules do not preclude the customer from accepting a quote that is subject to an accuracy challenge.
- A claim must be received in writing by the relevant SGN Network within 60 days of the date of issue of the quote or, if it is accepted, within 10 days of the date of acceptance, with a statement of the reasons why the quote is thought to be excessive and an estimate of the excess, see '12.5 Claim Form'.
- A claim submitted to SGN is requested to be completed on the specified SGN claim form, copies of which have been circulated to customers. A copy can also be obtained from SGN on request - photocopies are acceptable.
- SGN will ascertain whether a claim form is valid in respect of timescale and customer / job details.

A claim form is not valid if:

- more than 60 days has elapsed from the quote date or more than 10 days from acceptance whichever is earlier.
- it refers to the makeup of a standard charge.
- it is not fully completed.
- it refers to an indicative cost or budget indication.
- Non valid claim form - SGN will respond by post or email recording the date of receipt and SGN claim reference.
- Valid claim form- SGN will acknowledge receipt of claims form, recording the date of receipt, date of proposed response and SGN claim reference.
- If, within 28 days after being submitted to SGN the claim has not been resolved it may be referred by either party to an independent person acting as an expert and not as an arbiter, who may be nominated, in default of agreement between parties, by the Authority on application of either party, and whose costs shall be paid, in default of agreement between the parties, as the Authority may direct.
- A refund is not payable where the original quote is deemed to be accurate.

### 12.2 Accuracy Payments.

See **Appendix D – Quote Accuracy Table of Payments** for applicable payments for failure to meet standards of quote accuracy.

Appendix C will also apply for subsequent failure of standards under sections 6.2- 6.4 inclusive where a re-quote is issued against an inaccurate quote that is captured within the standards of service compensation criteria in section 7 or section 8. Appendix C will NOT apply for quotes issued under section 9.

### 12.3 Exclusions.

Quote errors arising from a failure by the customer to provide the Minimum Information Requirements or any inaccuracies by the customer shall be excluded from claims under the Scheme.

SGN will not accept a claim for accuracy, where this is a challenge to the construction of a standard price, as specified in the Charging Statement. However, where SGN has applied the wrong standard charge to a quote, this will be accepted as a valid claim under the scheme.

### 12.4 Statement of Engineering Assumptions.

A statement will be provided with each response (except alterations and standard price new services) indicating any key assumptions that SGN has made in the construction of the response, including route, surface condition, method of pipe-laying, pipe diameters, pipe material specification, variable cost elements that cannot be accurately determined at the quote stage.

The customer should inform SGN where they become aware that one or more assumptions may be incorrect.

12.5 Claim Form.

For the purposes of **12.1. Rules for Submission of Accuracy Claims** SGN will produce the necessary forms for the submission of accuracy claims. The forms are designed to secure a quick and efficient settlement of the issue and to assist in the Final Determination of quote errors and the resolution of disputes.

## **Appendix A - References**

The Gas (Standards of Performance) Regulations 2005

The Gas (Standards of Performance) (Amendment) Regulations 2008

The Gas (Standards of Performance) (Amendment) Regulations 2021

Standard Special Condition D10, Provision of connections information

Standard Condition 4b statement of the Gas Transporters Licence for Scotland Gas Networks

## Appendix B - Definitions

The definitions applying to this document are given below.

TERM	DEFINITION
<b>Authority</b>	The Gas and Electricity Markets Authority - Ofgem
<b>Budget Indication</b>	An approximate estimate cost of works anticipated, not intended to be a quote.
<b>C3 Diversion</b>	An approximate estimate cost of works anticipated, not intended to be a quote.
<b>Cap</b>	The maximum financial amount payable.
<b>Charging Statement</b>	SGN's Licence Condition 4B statement.
<b>CSEP</b>	Connected System Exit Point. As defined in SGN's Network Code, a CSEP is "a System Point comprising one or more Individual System Exit Points which are not Supply Meter Points".
<b>Customer</b>	The requestor to SGN who will be invoiced for connections activities. May be the end user customer or their agent.
<b>day</b>	Is a calendar day which starts at 00:00 hours and ending at 23:59 hours.
<b>Day</b>	Is any day other than a Saturday, a Sunday, Christmas Day, Good Friday or a day which is a bank holiday within the meaning of the Banking and Financial Dealings Act 1971. Requests are received on D up to and including 17.00 hours. Requests received after 17.00 will be logged as received on the next working day for Standards of Service purposes.
<b>D+(x) Days</b>	The number of Days following receipt of a Request, on Day 'D', within which SGN must issue a Response to be within Standard. So that, for a D+4 Standard, SGN has until 17:00 hours on the 4th Day following the Day of receipt to issue a Response. Day D is not included in the calculation of the period.
<b>End User Customer</b>	An owner or occupier of premises who is supplied or requiring to be supplied with gas through a connection.
<b>UIP</b>	Utility infrastructure providers means an organisation that provides consultancy and/or engineering services in relation to connections on behalf of customers, gas shippers, gas suppliers and gas transporters. Also Independent connection provider (ICPs).
<b>IGT</b>	The holder of a licence under section 7 of the Gas Act 1986 other than the Company.
<b>Indicative Cost</b>	An approximate estimate cost of works not intended to be a quote.
<b>Minimum Information Requirements</b>	The minimum information that a customer must provide to SGN in order that SGN can progress a Request.

<b>Month</b>	A calendar month.
<b>MPRN</b>	Meter point reference number.
<b>Ofgem</b>	The Office of Gas and Electricity Markets.
<b>Quote Amount(s)</b>	For the purposes of assessment under Accuracy Performance, Quote Amounts will be the total sum stated on the quote, exclusive of Value Added Tax.
<b>Requests</b>	Customer requests to SGN as set out in the table of Service Standards e.g. Quotes, Land Enquiries, Initial Enquiries and Acceptances.
<b>Responses</b>	SGN response to a Valid Request.
<b>Self Quote</b>	A quote generated using the SGN online quoting portal.
<b>Standard(s)</b>	The SGN Standards of Service as defined within the licence Standard Special Condition D10 and the Statutory Instrument, The Gas (Standards of Performance) Regulations 2005 and The Gas (Standards of Performance) (Amendments) Regulations 2021.
<b>Turnaround Time Compensation</b>	That part of the Scheme relating to SGN's response time to customer Requests.
<b>Unable to Progress Quote Request Letter</b>	A notice issued by SGN to a customer in response to the receipt by SGN of a non-Valid Request.
<b>Valid Request</b>	Customer request that contains at least the Minimum Information Requirements.
<b>Working day</b>	Is any day other than a Saturday, a Sunday, Christmas Day, Good Friday or a day which is a bank holiday within the meaning of the Banking and Financial Dealings Act 1971. Requests are received on D up to and including 17.00 hours. Requests received after 17.00 will be logged as received on the next working day for Standards of Service purposes.

## Appendix C - Standards of service table of payments

Process Category	SI Ref (Business Rules Ref)	Target (Working Days)	Penalty	Cap
Standard Quote =<275 kWh per hour	10.3.a (6.2)	4	£25 per working day	Lesser of £590 or quote value
Non-Std Quote =<275 kWh per hour	10.3.b.i-iii (6.3)	11	£25 per working day	Lesser of £590 or quote value
Non-Std Quote >275 kWh per hour	10.3.b.iv-vii (6.4)	21	£50 per working day	Lesser of £1,190 or quote value
Land Enquiry	10.3.c. (6.5)	5	£95 per working day	=<275 kWh per hour £590 >275 kWh per hour £1190
Offer date for Commencement & Substantial Completion. =<275 kWh per hour	10.3.d.i-ii (6.6)	17	£50 per working day	Lesser of £590 or contract sum
Offer date for Commencement & Substantial Completion. >275 kWh per hour	10.3.d.iii-iv (6.6)	20	£95 per working day	Lesser of £1190 or contract sum
Substantial Completion on agreed date. Quote up to £1,000	10.3.e.i (6.7)	N/A	£50 per working day	Lesser of £475 or contract sum
Substantial Completion by agreed date. Quote £1,001 -£4,000	10.3.e.ii (6.7)	N/A	Lesser of £240 or 6% of contract sum per working day	Lesser of £2,400 or 60% of contract sum
Substantial Completion by agreed date. Quote £4,001 - £20,000	10.3.e.iii (6.7)	N/A	£240 per working day	Lesser of £11,895 or 59.5% of contract sum
Substantial Completion by agreed date. Quote £20,001 - £50,000	10.3.e.iv (6.7)	N/A	£240 per working day	£11,895
Substantial Completion by agreed date. Quote £50,001 - £100,000	10.3.e.v (6.7)	N/A	£355 per working day	£21,410
Advise that payment is due and make payment in respect of regulation: 10. Connections	12.4 (6.8)	10	£50 one off payment	£50 (one payment only)

The liability payment values are for 2024-25 (GD2 Year 4) and will be reviewed annually in line with the processes set out in the SI.

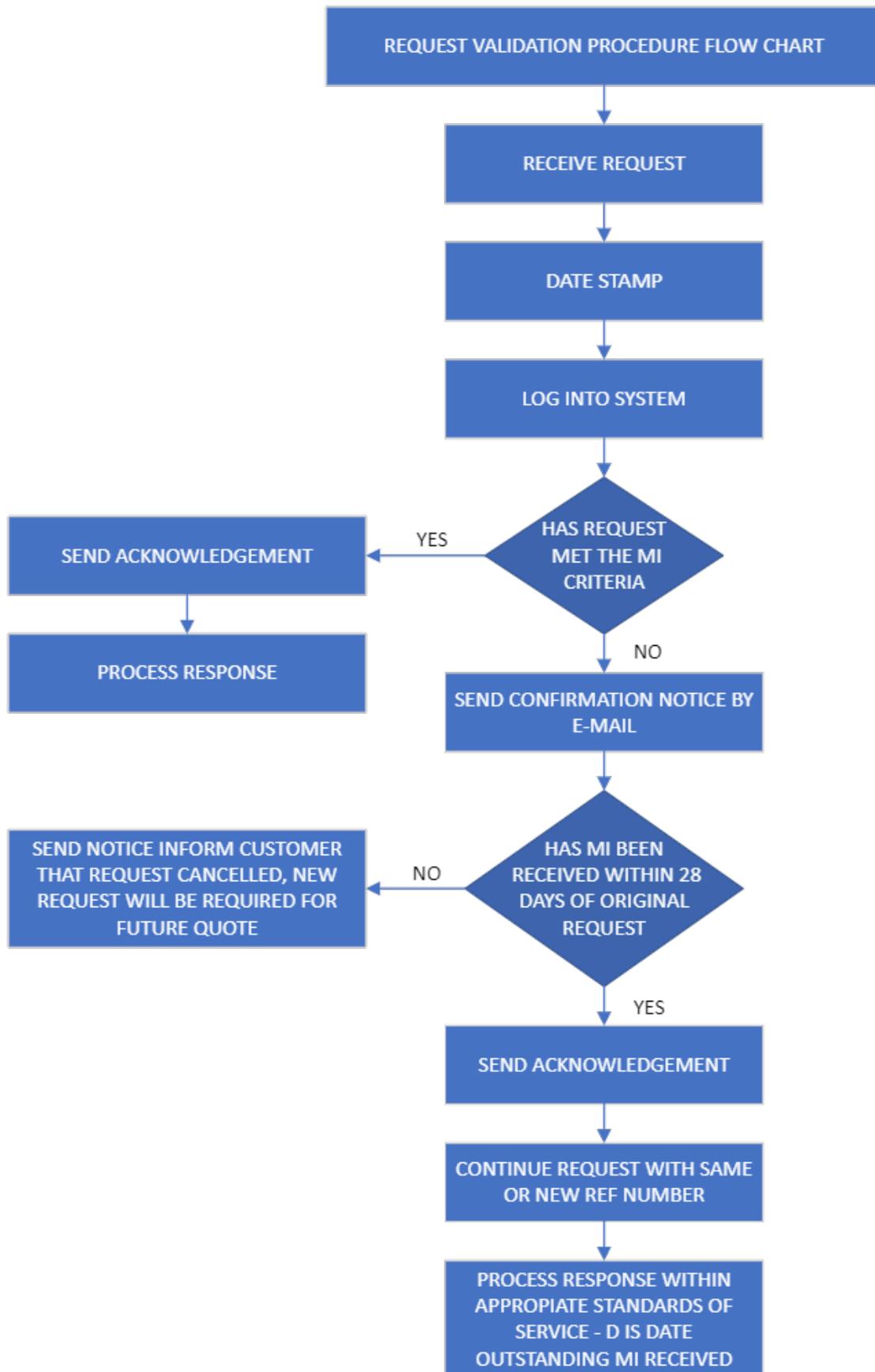
## Appendix D - Quote accuracy table of payments

Process Category	SI Ref (Business Rules Ref)	Accuracy Target	Penalty	Cap
Accuracy Challenge Standard Charge =<275 kWh per hour	10.3.c 10.3.ii 10.4 (6.2)	Correct charge as published by GT	Refund of any overcharge and rules for 10.3.a & 10.3.b apply until re-quote provided	Rules for 10.3.a & 10.3.b apply + refund of any overcharge
Accuracy Challenge Non-Standard Charge =<275 kWh per hour	10.3.c 10.3.ii 10.4 (6.3)	Greater of 5% or £150	Refund of any overcharge and rules for 10.3.a & 10.3.b apply until re-quote provided	Rules for 10.3.a & 10.3.b apply + refund of any overcharge
Accuracy Challenge Non-Standard Charge >275 kWh per hour	10.3.c 10.3.ii 10.4 (6.4)	Greater of 5% or £300	Refund of any overcharge and rules for 10.3.a & 10.3.b apply until re-quote provided	Rules for 10.3.a & 10.3.b apply + refund of any overcharge
Business Rules Section 9.1				
Connections activity not covered by the statutory instrument or standard special condition D10	(9.1)	Greater of 5% or £300	Refund of any overcharge	Refund of any overcharge

## Appendix E - Guide to minimum information requirements

Description	ITEM	Standard Quote	Non Std quote <=275kWh per hour	Non Std quote >275kWh per hour	Land Enquiry IGT and UIP	Land Enquiry	Multiple Enquires
Customer details	1(i)	YES	YES	YES	YES	YES	YES
Customer acting capacity	1 (ii)	YES	YES	YES	YES	YES	Not Required
End User Customer details	2	YES	YES	YES	YES	YES	YES
Type of Request	3	YES	YES	YES	YES	YES	YES
Supply Hourly Quantity kW	4	(i)	(i)	YES	YES	YES	YES
Site Name	5	Not Required	YES	YES	YES	YES	YES
Site address & Post code	6	YES	YES	YES	or 7	or 7	or 7
Location / OS Map ref	7	Not Required	YES	YES	or 6	or 6	or 6
Annual Quantity	8	YES	YES	YES	YES	Not Required	YES
Daily Quantity	9	Not Required	YES	YES	YES	Not Required	YES
First Gas date	10	YES	YES	YES	YES	Not Required	YES
Plan	11	YES	YES	YES	YES	Not Required	YES
Site anomalies	12	YES	YES	YES	YES	Not Required	YES
Construction constraints	13	YES	YES	YES	YES	Not Required	YES
Enhanced facilities	14	YES	YES	YES	YES	Not Required	YES
Future Development & phasing	15	Not Required	YES	YES	YES	Not Required	YES
Intended usage	16	YES	YES	YES	Not Required	Not Required	YES

## Appendix F - Minimum information requirements



## Appendix G - Matrix to support SGN's connections business rules

Matrix to support SGN's Connections Business Rules				
	The Gas (Standards of Performance) Regulations 2005	Licence Condition, Standard Special Licence Condition D10-Connections	Voluntary SGN Standards of Service Compensation Scheme	Connections Activity not covered by standards of service or accuracy scheme
Definition	Provides standards of service for customer requests with compensation payments for individual failures.	Apart from Land Enquiry, replicates Standards of Service detailed in the Statutory Instrument-excluding any compensation payments for failure to meet individual SoS.	Applied by SGN to connection requests excluded from the SI due to customer group.	An indicative target for an expected response to a request – not attracting a SoS compensation payment.
Standards of Service criteria	As detailed in SI regulation 'Connections 10' part 3a, bi, bii, d, e, f. And 'Payments 12'	Replicates that detailed in SI	Replicates that detailed in the SI	Indicative target for response only as detailed in Business Rules.
Compensation for SoS failure	YES	NO	YES	NONE
Customer included in requirements of document	Applies to owner or occupier of premises. Excludes IGT and UIP connections	Covers all customer groups including, IGTs, UIP's Shippers etc.	Requests from other parties. Includes IGT and UIP connections	All customer groups
Property type covered by document	Domestic and non-domestic	Domestic and non-domestic	Domestic and non-domestic	Domestic and non-domestic
Connection point pressure	< 7bar gauge	< 7bar gauge	< 7bar gauge	< 7bar gauge
New Building - Number of premises for multiple requests	No upper limit defined	No upper limit defined	No upper limit defined	No upper limit defined
Existing Building - Number of premises for multiple requests	No upper limit defined	No upper limit defined	No upper limit defined	No upper limit defined

Quote value	<= £250,000	<= £250,000	<= £250,000	<= £250,000
Complex Connections	Excluded	Excluded	Excluded	Included
Excluded Connections	Excluded	Excluded	Excluded	Excluded
Exemptions- in scope but discounted on an individual basis due to specific reasons.	Detailed in SI regulation 'Exemptions 13' e.g. customer agreement, severe weather, industrial action, etc.	Apart from Land Enquiry (no limit on premises numbers), same as SI	Same as SI	N/A
Accuracy Scheme refund applicable.	YES	YES	YES	YES
Late Payment Standard to apply to Accuracy challenge	YES	NO	YES	NO
Reinforcement	Excluded	Excluded	Excluded	Included