

SGN Third Party Connections Briefing Note 10

(Guidance on Costed connections)

1. Introduction

SGN offer a service to UIPs and iGTs to make the final connection for new services and mains extensions connecting onto SGN's <7bar network.

Where requested on a standard request form (*FM153, FM153a, FM138, FM138a*) SGN will process requests for SGN to undertake the final connection and the job will be considered a 'Costed' job.

Where applicable, UIPs and iGTs should ascertain the costs for connections works from SGN Connections Service Charges document for the required LDZ (*SO or SC*) available from www.SGN.co.uk.

Where proposed connections are outside the remit of NP/14 Tables A.9 and A.10 and Tables in section 11.1 of the SGN Connections Service Charges document, please contact SGN Third Party Connections at SOE_gtuip_sgn@sgn.co.uk.

2. Costed Connection Process

Once a Costed job is accepted with Third Party Connections, either via the formal quotation and acceptance process or submission of a Fastrack Request inclusive of the associated connection cost, SGN will produce a 'Depot Pack' for the proposed works to instruct the local SGN Operational Depot to undertake the final connection.

The local SGN depot will liaise with the third party contact name provided with the submission, unless a different name is provided, to arrange a time and date to attend site and undertake the required works, subject to the requirements in Appendix 1 being met.

3. VAT

SGN will charge VAT at the appropriate rate as per HMRC. See the HMRC website for up to date clarifications of 'Standard' and 'Reduced' rates.

3.1 New Build Domestic

Connections for infrastructure for new domestic dwellings will be liable to a VAT rate of 0%.

3.2 Conversions

Connections for infrastructure for the conversion of a non-domestic premise into a qualifying domestic building will be liable to the 'reduced' rate of VAT.

3.3 Renovations

Connections for infrastructure for the renovation of a qualifying domestic building which has not been lived in for at least 10 years will be liable to the 'reduced' rate of VAT.

3.4 Listed Buildings

Connections for infrastructure for Listed buildings, of any grade of any usage will be liable to VAT at the standard rate.

3.5 Commercial / Industrial premises

Connections for infrastructure for commercial and industrial premises will be liable to VAT at the standard rate.

4. Clarifications

4.1 Where quoting for Costed connections work, SGN will use default fittings based on current connection sizes as per SGN specification NP/14 Tables A.9 and A.10 and Tables in section 11.1 of the SGN Connections Service Charges document. A quotation will be produced by SGN for the connection and purging only, excluding excavation and backfill which should be undertaken by the third party.

4.2 SGN will retain ownership of the connection fitting and any encompassed pipework up to the point of connection with a downstream iGT pipe, immediately after the first point of isolation, if applicable. An example is shown in Figure 1.

SGN will retain ownership of the connection fitting and all downstream pipework up to each primary ECV where SGN are adopt the downstream system.

Where a tee is inserted SGN will retain ownership up to the joint with the downstream system, shown as the green demarcation line in Figure 1.

4.3 The third party will indicate the required purge rate for purging of downstream mains on the quotation acceptance form or initial request if a Fastrack. Third Party Connections will provide the purge rate to the SGN Operational Depot within the Depot Pack. Direct purging will be assumed unless the third party specifies otherwise.

The third party will be responsible for the procedure of purging of the downstream system. The purge procedure should cover the depressurisation of the downstream system following testing, installation of downstream vent points, liaison with the SGN Competent Person (CP) for the introduction of gas from SGN Network, monitoring the purge process at downstream vent points and liaison with the SGN Competent Person at the completion of the purge.

The third party as the Project Manager for the installation of the downstream system will be responsible for the competency of the personnel monitoring downstream vent points, calibration of gas monitoring equipment and ensuring safety and completion of the purge on the downstream system.

Purge equipment will meet the downstream system requirements.

4.4 SGN will arrange for a Routine (RO) or Non-Routine (NRO) Operation procedure to be written and authorised by SGN Network Control (SCO). A copy of the RO/NRO will be made available to the third party. Under the procedure, SGN will carry out the connection of the third party pipe to the SGN Network, install any required purge riders, cut and connect onto the third party pipe and introduce gas at the agreed rate into the downstream system.

SGN will act as the Competent Person (CP) under SGN Safe Control of Operations (SCO) process and will be the overall person in charge of the operation.

- 4.5 SGN and the third party will attend site on the pre-agreed date of connection. The third party must provide SGN with a copy of the test certificate (Pneumatic or Hydrostatic as required) for the system that is to be commissioned, which must be approved by the third party Competent Person as 'passed' under specifications of IGEM Standards TD/3 and TD/4, where applicable.

The third party will be responsible for de-pressurisation of the downstream system and installation of downstream vent points. SGN will then carry out the connection and introduce gas at the agreed rate. The third party will carry out the remaining on site purging, to any downstream pipework yet to be connected that isn't included in the scope of SGN's connection works. The third party responsible person should highlight and initial the relevant third party actions on the RO/NRO paperwork accordingly.

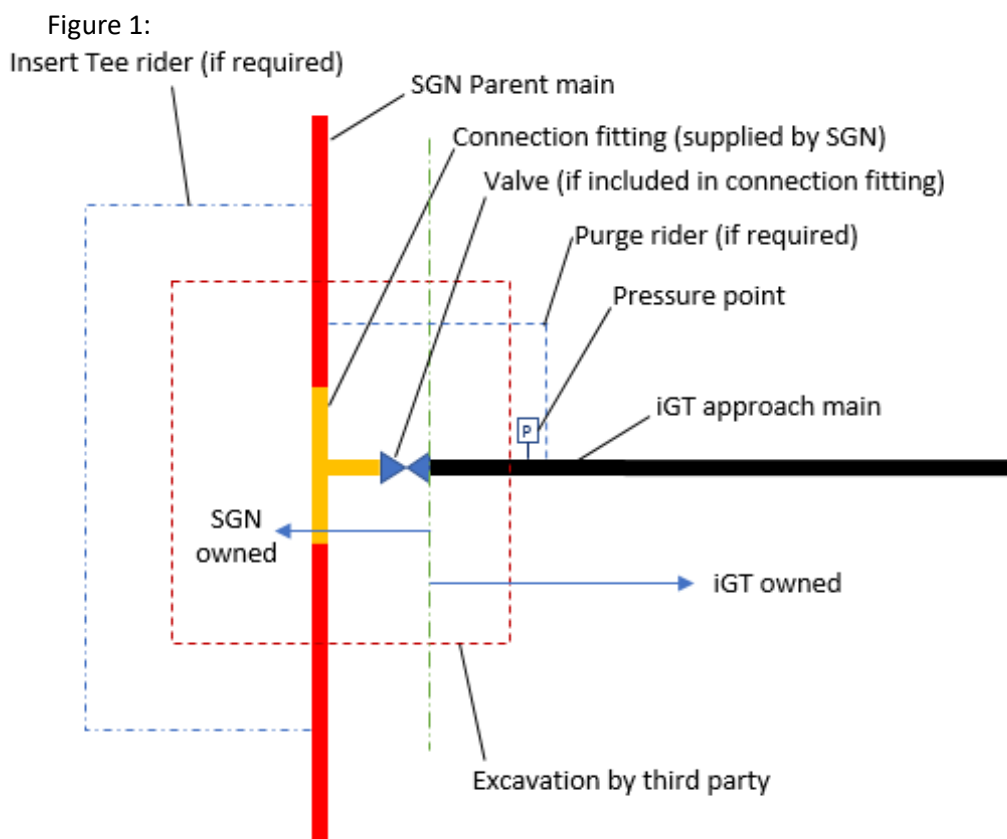
On completion the third party will carry out backfill and reinstatement of any excavations and remove any downstream vent pipes. SGN will remove any required purge riders and test points at the point of connection.

- 4.6 Where the downstream system is to be adopted by SGN, two completion files are required to be submitted to SGN Third Party Connections:
- The UIP must submit a completion file for all commissioned pipework in line with the requirements of TD/101
 - SGN Connections (*Operations*) must submit a completion file for the connection only

Where the downstream system is to be adopted by an iGT, one completion file is required to be submitted to SGN Third Party Connections by SGN Connections (*Operations*).

Appendix 1 – Detailed Procedure

- Third party Submit relevant Request form to SGN
 - If a Non-Fastrack Request, SGN will issue a Quotation which must be accepted including subsequent payment for connection issued to SGN.
- Design is approved by Third Party Connections
- SGN Third Party Connections issue depot pack to SGN Operational Depot to liaise with third party to formally agree a date that SGN will attend site to undertake final connection of proposed works
- Third party lay infrastructure up to the required point of connection onto the SGN parent main
- Third party excavate the SGN parent main to enable SGN to undertake the connection of the iGT approach pipe onto the existing SGN parent main
 - The excavation must be of a suitable size for the required connection
 - SGN will confirm excavation sizes where requested
- Subject to the requirements of SCO, SGN will undertake the final connection of approach pipe to the existing SGN parent main, purging and introducing gas into the connected system on the agreed date
 - SGN will be responsible for the connection operation and purging of SGN-to-adopt asset
 - An iGT will be responsible for the downstream purging operation of the iGT system, however SGN will retain responsibility for the integrity of the upstream SGN system during the purge operation
- When the connection is completed the UIP or iGT will be required to complete the backfill and reinstatement of the excavation



Appendix 2 – High level process for Costed Connections

