

SGN Third Party Connections Briefing Note 1

(Final Connections onto SGN's <7bar Gas Distribution Network)

1 Introduction

SGN requires all third party Utility Infrastructure Providers (*UIPs*) and Independent Gas Transporters (*iGTs*) to follow set processes, enter into appropriate Final Connections Agreement contracts and follow requirements outlined in applicable policy, regulation and specification documents.

Third party UIPs and iGTs are also required to be accredited to an appropriate level for their work under relevant industry schemes.

Utility Infrastructure Providers (*UIP*)

UIPs can submit requests for the installation of new gas mains and services onto SGN's <7bar Gas Distribution Network which will be adopted by either SGN or an iGT upon completion.

The criteria for a UIP submission are the following:

- UIPs connecting UIP laid pipework (single premises <2,196,000 kWh) to SGN's <7bar system and vesting in SGN under Section 10 of the Gas Act.
- UIPs connecting UIP laid pipework (multiple premises and single premises >2,196,000 kWh) to SGN's <7bar system and SGN taking ownership.

Independent Gas Transporters (*iGT*)

iGTs can submit requests for the connection of independent gas networks onto SGN's <7bar Gas Distribution Network which will be owned and operated by a third party iGT.

The criteria for an iGT submission are the following:

- iGTs connecting GT/UIP laid pipework to SGN's <7bar system with SGN taking ownership of the connection fittings to the first point of isolation and the iGT retaining ownership of the downstream Network. These are known as Connected System Exit Points (*CSEPs*)

The criteria for a CSEP connection to be owned and operated by another iGT are the following:

- Mains and service extension for ≥ 2 meter points of any annual quantity.
- Mains and Service extension for a single meter point where AQ = >2,196,000 KWH or there is identified future loading to be attributed to C16 Load requirements. Load B 'C16' must then be accepted in this instance.
- Single Service connection (*with 'single service source pressure' offered for the respective pressure tier*) where AQ = >2,196,000 KWH.

The Gas Act 1986, Section 10(6) states that iGT requests are only valid for single premises when consuming greater than 2,196,000 kWh (*75,000 therms*) per annum (AQ), or for mains infrastructure extensions comprising multiple domestic or commercial premises.

No third party companies are permitted to undertake works on SGN's >7bar Transmission Network.

2 Required agreements, accreditation and processes

To enable UIPs and iGTs to undertake final connections to SGN's <7bar Network, the following agreements, accreditation and processes must be held or followed:

- Gas Industry Registration Scheme (*GIRS*) accreditation
- OFGEM approved Gas Transportation License
- SGN Safe Control of Operations (*SCO*)
- UIP/GT Connection, Service Disconnection and Service Alteration Agreement (*Final Connections Agreement*)
- SGN General Conditions of Contract (*GCC*)
- Project submission, approval, planning and completion requirements as per respective FCA and conditions of IGE/TD/101

2.1 UIP/iGT Connection, Service Disconnection and Service Alteration Agreement (*Final Connections Agreement*)

UIPs and iGTs must enter into a UIP/iGT Connection, Service Disconnection and Service Alteration Agreement (*Final Connections Agreement/FCA*) to undertake works on SGN's <7bar distribution network.

UIP/iGT customers who wish to enter into the UIP/iGT Connection, Service Disconnection and Service Alteration Agreement must confirm arrangements for compliance with GIRS registration in section 2.2. The contract signing process is detailed in Appendix 1.1 of this briefing note.

Final Connections Agreements outline the Terms and Conditions and requirements of both SGN and the third party at various stages of the progression of a job and what steps are taken should these processes not be followed.

2.2 Gas Industry Registration Scheme (*GIRS*) accreditation

UIPs submitting request for works for SGN or iGT adoption must be accredited under the Gas Industry Registration Scheme (*GIRS*) for the applicable complex as outlined in SGN Briefing Note 2 (*Gas Industry Registration Scheme (GIRS) and IGE/TD/10*)

2.3 iGT Gas Transportation License conditions

OFGEM collate and issue Gas Transportation Licenses to companies who wish to own, operate and maintain live gas networks, known as Independent Gas Transporters or iGTs. SGN will only accept requests for iGT site adoption where the adopting iGT holds an FCA with SGN and has been issued a Gas Transportation License from OFGEM.

As of May 2021, there are Twelve (12) main iGTs on the OFGEM approved iGT list:

- | | |
|-----------------------------|-------------------------------|
| • GTC Pipelines Ltd | • Energy Assets Pipelines Ltd |
| • Independent Pipelines Ltd | • Murphy Gas Networks Ltd |
| • ES Pipelines Ltd | • Leep Gas Networks Ltd |
| • Last Mile Gas Ltd | • Squire Energy Ltd |
| • Fulcrum Pipelines Ltd | • Harlaxton Gas Networks Ltd |
| • Indigo Pipelines Ltd | • Quadrant Pipelines Limited |

2.4 Project Submission

2.4.1 SGN to connect works (*Costed connection*)

Where a third party wishes SGN to undertake the final connection on their behalf, SGN will charge accordingly in line with SGN Connections Service Charges. Variations to works to instruct SGN to undertake final connection works can be submitted by the third party at three stages:

1. Upon initial request submission – third parties can indicate on the request form that SGN are to undertake the final connection (*FM153 for iGT and FM138 for UIP*). See SGN Briefing Note 15 Appendices B, C, E and F for further guidance on relevant third party forms.
2. Upon quotation acceptance, even if initial request submission stated third party to undertake final connection – third parties can indicate that SGN are to undertake the final connection on quote acceptance forms. SGN will complete and return an FM183 variation form confirming the new connection cost, which will need to be accepted and returned by the third party.
3. Within D+5 working days of the proposed connection date, as confirmed on a relevant SGN planning letter. The third party is required to complete and return an FM183 variation form confirming the connection cost, which will be returned to the third party as confirmation of acceptance.

2.4.2 Design submission

iGTs and UIPs must send design submissions to SGN, prior to final connection to enable appraisal and approval of proposed works. This must be provided in line with the Design Submission requirements checklist form FM139 and requirements outlined in TD/101.

For iGT connections (CSEPs), SGN will adopt the connection fitting as part of an extension of SGN's network. For UIP installed asset not adopted by an iGT, SGN will adopt all pipework including and downstream of a connection fitting up to the final Emergency Control Valve (ECV).

See SGN Briefing Note 14 (*UIP Design submission requirements*) for more info on design submission.

2.4.3 Certification file (*Plan Date Control*)

Third Parties are required to submit proposed Plan of Connection and anticipated Substantial Completion dates for each project to soe_gtuip_sgn@sgn.co.uk.

Where specifically requested by SGN, in line with requirements outlined in IGE/TD/101, a full Certification File will be required, but is not mandatory by default, for any job type.

See SGN Third Party Connections Briefing Note 27 (*Plan Date Control*) for further guidance.

Connections $\leq 63\text{mm}/2''$ do not require an RO/NRO submission nor SGN SCO approval.

Where proposed works are $>63\text{mm}/2''$ in diameter (*including offtake pipe sizes for CSEPs*), Intermediate pressure or for a Biomethane pipeline, the third party must also provide a Routine Operation (RO) or Non-Routine Operation (NRO) in line with SCO procedures. Clearance to proceed for the final connection is authorised by the SGN Network Controller.

2.4.4 Completion

Third Parties must submit a Completion file to SGN within D+10 (*within reason*) of the agreed substantial completion date, in line with requirements outlined in IGE/TD/101 and SGN Briefing Note 2.

2.5 Safe Control of Operations (SCO)

Where a Third Party is undertaking the final connection and proposed works are >63mm/2" in diameter (*including offtake pipes for CSEPs*), they must submit a Routine Operation (RO) or Non-Routine Operation (NRO) to SGN Network Control in line with SGN's Safe Control of Operations (SCO) procedures:

- SGN/PL/GR/1
- GDN/PM/SCO/1
- GDN/PM/SCO/2
- GDN/PM/SCO/3
- GDN/PM/SCO/4
- GDN/PM/SCO/5
- GDN/PM/SCO/7
- GDN/PM/SCO/10
- GDN/PM/SCO/11

Only SGN-approved Authorising Engineers (AE) and Competent Persons (CP) can undertake works outlined in third party RO/NRO submissions. Third Parties must therefore apply to SGN to register AE and CPs and provide relevant evidence for assessment of competence for the required complex. If the evidence of competence is acceptable, the AE & CP must then undergo training and assessment on SGN's SCO procedures. Following successful completion of the training and assessment, SGN will register the AE and CP on SGN's National Permitry database.

An overview of the AE & CP registration process is shown in Appendix 1.1.

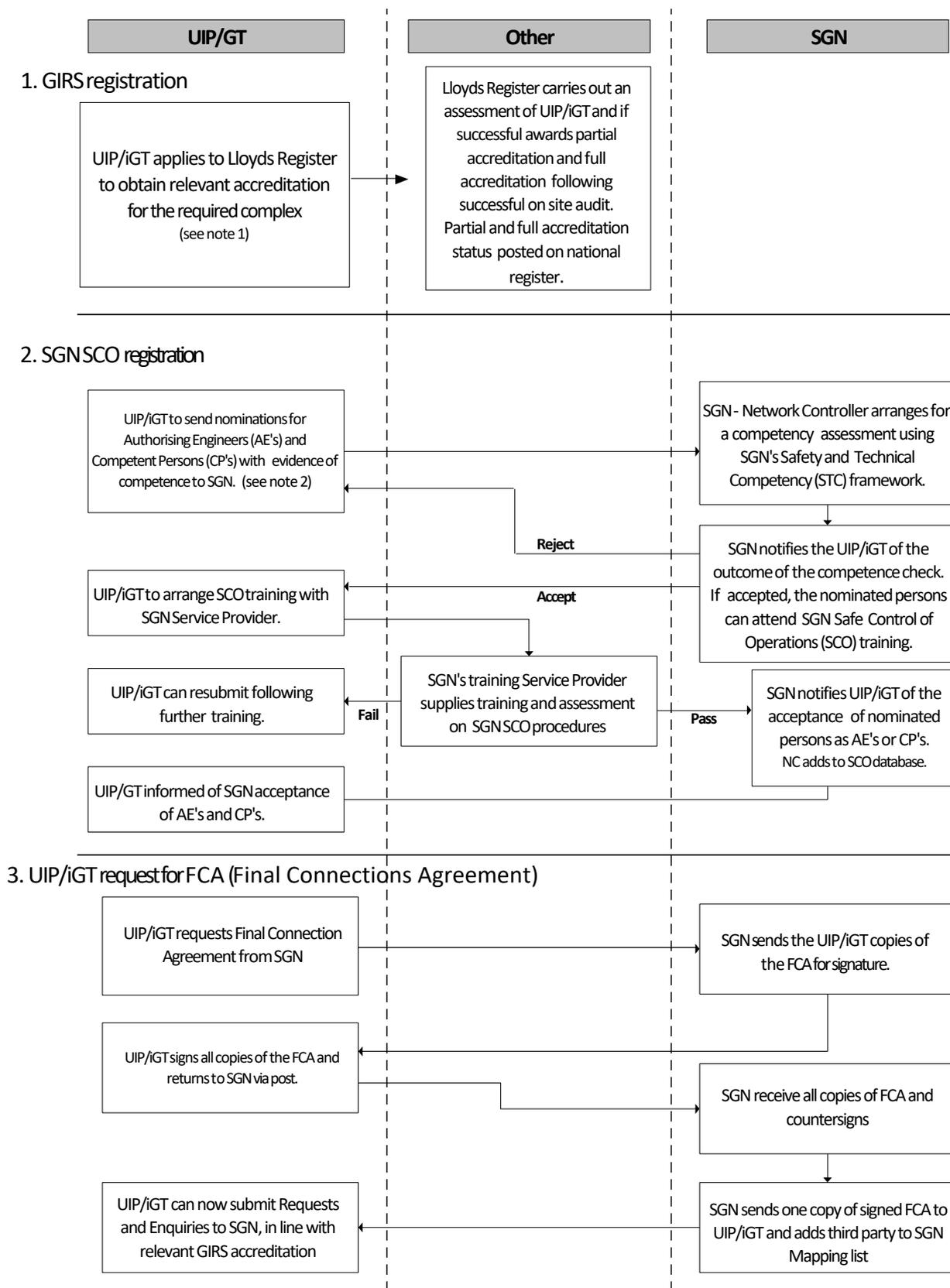
Third Parties must confirm arrangements for compliance with the GIRS registration in section 2.2.

Applications for new AE and CP registration should be sent to SGN Network Control:

Tel: 0345 0721935

Email: network.control@sgn.co.uk

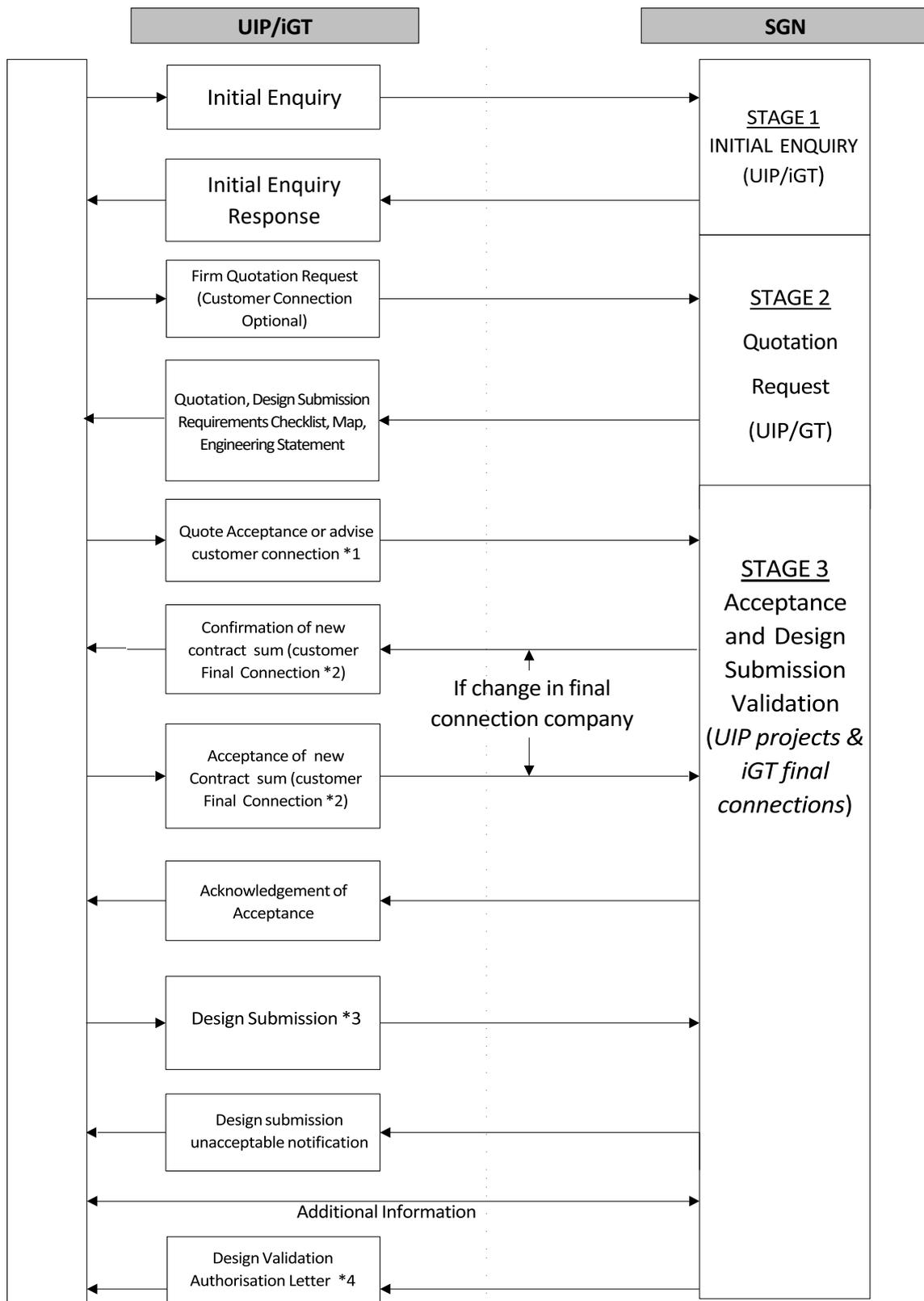
Appendix 1.1 - Final Connection Initial Registration Process for Utility Infrastructure Providers (UIPs) and Gas Transporters (iGTs)



Note 1. Design, Construction/Commissioning/Connections Routine and non-routine (CCCR/CNRB) accreditation can be obtained by the UIP/iGT or sub contract organisation. Project Management accreditation must be obtained by the third party submitting works.

Note 2. The AE and CP roles can be carried out within the UIP/iGT or sub contract organisation

Appendix 1.2 - Utility Infrastructure Providers (UIPs) and Independent Gas Transporters (iGTs) Job-specific Process



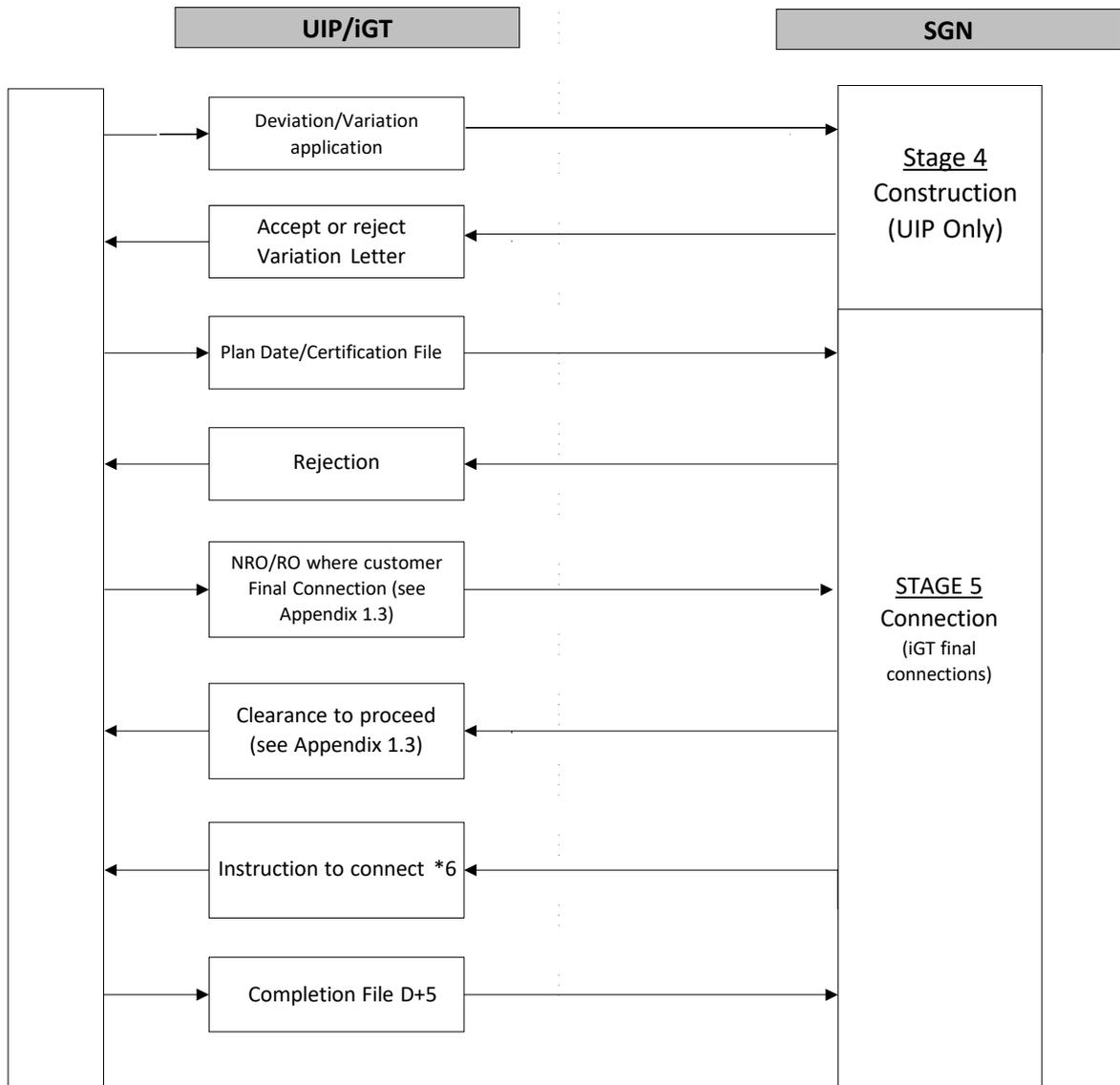
*1 Third parties can bypass stages 1 & 2 & confirm their intent to self connect at this stage.

*2 UIP/iGT Final Connection can also be requested up to D+5 following issue of a planned date for a SGN Final Connection

*3 This can also be received at Quotation Stage

*4 Includes permission to proceed with Final Connection where $\leq 63\text{mm}$ Final Connection subject to D+ notice and cert file

Appendix 1.2 (continued) - Utility Infrastructure Providers (UIPs) and Independent Gas Transporters (iGTs) Job Specific Process



*4 Only provided where SGN is carrying out Works

*5 This may have been provided at Acceptance

*6 Where SGN Nominated Auditor attends site

Appendix 1.3 - Overview of the interface arrangements between UIPs, iGTs and SGN Network Control (NC)

