

SGN Third Party Connections Briefing Note 3

(Criteria for UIP and iGT submissions)

1 Introduction

SGN Third Party Connections facilitate the adoption of new gas asset installed and connected onto SGN's <7bar Gas Distribution Network from two types of customer, Utility Infrastructure Providers (*UIP*) and Independent Gas Transporters (*iGT*).

2 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. UIPs are accredited to undertake these works under the Gas Industry Registration Scheme (*GIRS*) but do not hold Gas Transportation Licences, therefore cannot own, operate or maintain live gas asset once it installed.

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.

3 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. iGTs are issued Gas Transportation Licences which permits them to own, operate and maintain live gas asset.

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
- 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 is permitted to undertake works on SGN's >7bar Transmission Network.

As per GIRS, UIPs can act on behalf on an iGT to facilitate submissions that the adopting iGT will own upon completion. See SGN Third Party Connections Briefing Note 21 for further guidance on the care-of process.

4 Requotes

SGN Third Party Connections quotations are valid for a period of 90 calendar days from issue, after which a quotation cannot be formally accepted and should be resubmitted as a new request. SGN will however permit up to two (2) 'requotes' of an existing quotation that has passed the 90 day validity period.

Upon expiration of a quotation, a third party UIP or iGT should send an Email to Third Party Connections (SOE_gtuip_sgn@sgn.co.uk) stating that a specific Quotation reference number has expired (passed the 90 day validity period) and requires a requote for the first or second time.

SGN Third Party Connections will employ the following rules relating to requotes:

- No greater than one (1) SGN Quotation reference can be sent for a requote per Email
- No greater than two (2) requotes are permitted for a project (*3 quotes in total, including original*)
- No greater than 12 months from quotation shall have elapsed to warrant the request for a requote

SGN Third Party Connections will apply standard OFGEM Standards of Service to requotes but will aim to respond sooner than the standard 21-day turnaround, where valid existing Network Analysis can be reutilised.

The option to requote a project within SQS is limited to:

- UIP (S) and iGT (P) Non-Fastrack New Connections
- UIP (S) Non-Fastrack Alterations
- iGT Non-Fastrack Load Increases
- iGT Non-Fastrack Load Decreases
- SCJ of any job type

5 Extension of D180 Acceptance validity period

Upon acceptance of a quotation where the lead time between acceptance and gas on is greater than 180 days, not due to the requirement of associated specific or general reinforcement, SGN will permit the extension of the D180 Acceptance validity period subject to regular communication and submission of Key Milestone Markers for the project.

Third parties should in the first instance notify SGN upon acceptance of a project that the lead time between acceptance and gas on is greater than 180 days.

If not issued with a quotation, SGN will issue a Key Milestone Markers proforma upon acceptance of a project, which the third party should complete and return as a rough guideline of when specific key milestone markers are likely to be provided.

SGN consider standard Key Milestone Markers to be the following:

1. Acceptance between UIP/iGT and STOR Site Operator
2. Planning Permission
3. Agreement with Landowner
4. Acceptance of Electrical Contract with DNO

5. Financial backing from stakeholder (*or equivalent*)
6. Easements agreed
7. Signed NExA Agreement
8. Start date for construction

Failure to provide upon request subsequent Key Milestone Markers jeopardises the validity of the D180 extension. SGN will cancel any project where Key Milestone Markers are not provided when requested.

See SGN Third Party Connections Briefing Note 31 (*Key Milestone Markers*) for further guidance.