



## **GTC Pipelines Ltd and Independent Pipelines Ltd and Quadrant Pipelines Ltd**

### **Statement of Principles and Methods to be Used to Determine Charges for Gas Distribution Connection Services**

**Effective From Date: 1<sup>st</sup> April 2019**

GTC  
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## INTRODUCTION

### About GTC

GTC Pipelines Ltd, Independent Pipelines Ltd and Quadrant Pipelines Ltd are gas transporters authorised by their Gas Transporter Licences (“the Licence”) granted pursuant to section 7(2) of the Gas Act 1986 (“the Act”) to convey gas to premises or to pipe-line systems of other gas transporters connected to its pipe-line system. The licensees operate networks throughout Great Britain. GTC acts as an agent providing management services to each of these operators. References in this statement to GTC’s pipeline systems mean each of the three gas transporters named above.

### About this Statement

This ‘**Statement of Principles and Methods to be used to Determine Charges for Gas Distribution Connection Services on GTC Pipelines Ltd’s, Independent Pipeline Ltd’s and Quadrant Pipelines Ltd’s Networks**’ (the “Statement”) is prepared pursuant to Standard Condition 4B of the Licence.

The statement describes:

- The procedure for obtaining a new, increased or reduced connection from the above pipe-line systems.
- The principles on which, and the methods by which, GTC will determine connection charges for providing connections to its pipeline system for circumstances prescribed by Standard Condition 4B.
- The basis of our charges for the alteration and disconnection of connected apparatus. It also includes information about capacity availability and meter housings.

The Gas and Electricity Markets Authority (hereinafter referred to as the “Authority”) has approved the form of this statement. Future modifications to the form will be subject to approval by the Authority. A printed copy of this statement is available on request for a fee of £5.00 plus VAT.

The Statement applies to charges determined from the **Effective From Date** (given on the front of this Statement) of this statement, until superseded by any future Statement.

GTC will review the methodology and the charges contained within this statement at least annually.

## 1. PRINCIPLES

Where a person requires a connection pursuant to section 10 of the Act, the provisions of this statement are without prejudice to the provisions of sections 10 of the Act. Unless specified otherwise or the context requires otherwise, words and expressions used in this Statement shall have the meaning given to them in the Act or in the Licence.

## 1.1 Statutory Obligations

### 1.1.1 GTC's Duty to Connect

Where GTC has an established relevant main it has a statutory duty to connect certain premises under prescribed circumstances. Whilst this duty is more fully described in Section 10 of the Act, the key points are summarised below. In general GTC will connect premises which:

- Are situated within 23m of a relevant main.
- There is no existing gas supply to the premises.
- The person requesting the connection is the owner or occupier of the premises.

### 1.1.2 Self-lay Pipes or Systems

An owner or occupier requiring a connection can elect to lay the service pipe to a relevant main forming part of GTC's pipe-line systems.

Subject to the principles set out in this statement and the terms and conditions of the contract between us and the customer in respect of the proposed connection, where a party wishes to lay their own service pipe to premises ownership of the pipe will vest in GTC once the connection to our system has been made.

**Assets for Adoption:** - Any party considering laying a pipe that will either vest in GTC or is intended to come into our ownership should contact our Engineering Asset Adoption team prior to the planning phase of any project, using the contact details in Appendix 3 of this statement. GTC will not make any payment in respect of assets it adopts and which are (or are to be) connected directly to GTC's existing pipeline systems.

## 1.2 Making a Connection Request

Anyone requiring a connection to GTC's gas pipe-line systems must submit an application in writing. The request should contain all relevant information in order to assess the work that is required to provide the connection. As a minimum the request must specify the premises to which the connection is required and the date on which the connection is required.

For certain types of development e.g. blocks of flats or other multi occupancy premises, GTC may require additional information. In some cases GTC may need to discuss the connection request with the applicant. Therefore, in making a request for connection, details of who GTC can contact during normal working hours should be included with the application.

## 1.3 Quotations

In respect of the provision of quotations for connection charges, the following definitions will apply:

**Standard Quotation:** A desktop quotation for an individual one-off new domestic service or alteration request resulting in the application of a standard price.

**Non-Standard Quotation:** - Any quotation other than a Standard Quotation i.e. all quotations that require a bespoke design, site visit or reinforcement and where a standard charge is not appropriate for the works required.

Quotations will include a statement to the effect that the customer, in accepting the quotation is also accepting that the assumptions that GTC has used are appropriate and understood. If it is later determined that any stated assumption is significantly wrong, we will decide whether the customer's charge should be varied. In circumstances where the charge is increased we may cease or delay works pending a customer's agreement to pay the increased charge.

## **Payment Terms**

GTC will normally require payment of any charges specified in the quotation prior to planning works and commencing works on site. Charges quoted will be exclusive of VAT.

GTC will apply VAT to these charges at the appropriate rate.

### **1.4 Charging Principles: General**

Subject to the requirements of Condition 4B(1) of our Licence, GTC aims to recover those costs that it reasonably expects to incur when it provides connection services.

Charges will be calculated to reflect the costs which we reasonably expect to incur in carrying out the required connections work. These costs include labour, materials, and any other expenses required to complete the work. Each cost element will carry an appropriate level of overhead<sup>1</sup>.

Where appropriate, charges will recover the costs arising from charges payable by GTC to third parties such as highway authorities. Such charges include, but are not limited to, fees in connection with the suspension of parking bays, permit fees and the costs of temporary traffic regulation.

Standard Quotations and standard charges will be applied for some categories of connection services where the cost benefit of their use, relative to the production of Non-Standard Quotations, is believed to be favourable.

Where a bespoke design is required to enable quotation, GTC will charge for the design. Design charges will be based upon the anticipated cost of Design Works and will be either invoiced separately, or included as a separate item in a Non-Standard Quotation. GTC may require payment of the design charge from the customer prior to issuing the quotation for the proposed works.

Non-Standard Quotations will state assumptions used to determine the charges. Where a stated assumption is found to be significantly incorrect, and subject to the conditions of the contract, we may require the person requesting the connection to agree to a variation in price before commencing work on site. Where such agreement is not provided, we may terminate the job.

All charges will be made subject to the appropriate conditions of contract (which will be made available on request).

GTC may carry out work additional to that requested by the customer. Where this occurs the cost of the additional work will not be charged to the customer.

Where customers fail to communicate changes in site conditions, or agree necessary site variations, that prevent GTC, or any party working for and on behalf of GTC, from starting work, GTC may apply a standard charge for abortive visits.

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<sup>1</sup> GTC is obliged to pass on only those costs which have been efficiently incurred

## 1.5 Standard Connection Pressure

Gas will normally be made available for offtake to consumers at a pressure that is compatible with a regulated metering pressure of 21mbarg. Information on the design and operating pressures of distribution pipes can be obtained by contacting our Engineering team at the address given in Appendix 3 of this statement.

## 1.6 Reasonable Demands for Capacity

**Gas Act Obligation:** - Operating under the Gas Act 1986, GTC has an obligation to develop and maintain an efficient and economical pipeline system and, subject to that, to comply with any reasonable request to connect premises, provided that it is economic to do so.

**Reinforcement:** - Details of how GTC charge for reinforcement and the basis on which contributions may be required can be found within Section 2 of this document. Please note that dependent on scale, reinforcement projects may have significant planning, resourcing and construction lead-times and that as much notice as possible should be given.

## 2 METHODOLOGY

### 2.1 Connection Design Philosophy

We will construct apparatus for a project on a least cost Fit for Purpose basis taking into account the customer's requirements and our relevant Licence obligations. This means that where there are different fit for purpose design solutions which meet a customer's requirements, we will select the one that is anticipated to have the lowest overall cost of construction.

'Fit for Purpose' means a design that will safely convey the requisite quantity of gas at an appropriate pressure throughout the life of the apparatus, taking into account the Gas Act requirement for economic pipe-line system development.

### 2.2 Connections Charging - General

Charges for connection works are calculated using:

- current materials costs and any special expenses required to carry out the connection plus overheads related to the management of materials and bought in services;
- labour costs of GTC incurred in providing connection services;
- contract rates (of GTC's principal contractor for a given geographical area) plus overheads related to the management of contractors and the general costs of providing this activity;
- Where appropriate, charges will also reflect costs arising from charges payable by GTC to third parties such as highway authorities. Such charges include but are not limited to fees in connection with the suspension of parking bays, permit fees and the costs of temporary traffic regulation.

Charges for connection, except where the connection is eligible for the Domestic Load Connection Allowance under standard condition 4B(1) of the Licence, include excavation, backfill and reinstatement in land dedicated to public use.

Unless specified otherwise in a quotation, charges include for the carrying out excavation, backfill and routine reinstatement, on private land. Except where the customer indicates otherwise, where possible a pre-cut trench will be used on private land. We will not guarantee full reinstatement of specialist surfaces e.g. coloured flagstones, mosaic tiles, etc. Customers requiring specialist finishing are advised to arrange for their own contractor to carry out such work. We can not guarantee to avoid damage to growing plants.

### **2.3 Pressure Reduction Apparatus**

Where GTC proposes to fit Pressure Reduction Apparatus it will be charged as follows:

- if it forms part of the Supply Meter Installation, then it is not covered by the provisions of this statement;
- if it is located along the connecting pipe work, it is charged for at cost plus overheads.

### **2.4 Load Increases**

When a premise already has one or more gas service pipes, and the owner or occupier wishes to increase their consumption of gas, it may be necessary for us to replace, an existing service pipe. No charge will be made if the additional flow of gas is required from an existing Supply Meter Point and the total consumption remains below 73,200 kWh (2,500 therms) per annum. In other circumstances GTC will charge for works as if the consumer required a new connection.

### **2.5 Pressure Increases**

All the costs associated with increasing the gas supply pressure from an existing gas supply pipe will be charged to the person concerned. (Note: Consumers using less than 732,000 kWh (25,000 therms) per annum are not permitted to receive their gas at a pressure higher than 21 mbarg nominal because of the provisions of the Gas (Calculation of Thermal Energy) Regulations.

### **2.6 Standard Designs**

GTC will use standard designs for connection service request where:

- the cost benefit of using standard designs, relative to the production of high volumes of individual designs is believed, by GTC, to be favourable;
- the designs have been produced in accordance with the principles and methods of this statement; and
- the resulting standard designs do not result in undue preference or undue discrimination.

### **2.7 Standard Charges**

GTC will use standard charges for some types of connection services request, where:

- the standardisation is based on an analysis of the types of works that are typically carried out in that charge category;
- the costs of such typical works are calculated in accordance with the principles and methods of this statement; and
- the resulting standard charges do not result in undue preference or undue discrimination.

## **2.8 Charging for the Final Connection of Mains Apparatus Laid by a Third Party (<7 barg connections)**

In general GTC will follow the same principles we apply to other connection works in respect of charging for Final Connections. Where GTC is requested to carry out a Final Connection, the requesting party must carry out excavation and backfill and obtain any permissions necessary. GTC will allow GIRS registered organisations to make their own connections to GTC mains.

## **2.9 Charging for Minimum Connections (> 7 barg connections)**

GTC will follow the same principles that it applies to other connection works in respect of charging for Minimum Connections. However, as at the effective date of this statement, GTC does not operate any pipes >7 barg capable of being connected to.

## **2.10 Domestic Load Connection Allowance**

For individual new connections to domestic premises situated within 23m of a relevant main, Standard Condition 4B of the Licence requires that we install the connection to the main and lay up to the first ten metres of pipe in land that is dedicated to public use at no initial charge. The net investment cost which we bear in respect of these connections is known as the **Domestic Load Connection Allowance (DLCA)**. Our standard charges already discount this allowance.

A person may request multiple connections, each benefiting from this allowance, provided that each connection is to a different eligible premises and it can be demonstrated that there is a present intent by an identifiable domestic consumer to use gas at each premises.

## **2.11 Connection Design Charges**

Any charges made for connection Design Works will be calculated on the basis of the cost that we expect to incur in carrying out such a design and is dependent upon the information provided by the customer, other publicly available information and information relating to our pipe-line systems.

GTC will charge for connections design except where there is a standard charge quotation or a standard design connection.

At our discretion, GTC may require payment for the cost of Design Works from the person requiring the connection, prior to issuing the quotation.

## **2.12 Sufficiently Complex Jobs**

Connection and Reinforcement work may be considered as Sufficiently Complex when they are of significant value or are technically challenging. Where a project includes both Reinforcement and connection works then each part will be considered separately and may be deemed Sufficiently Complex. For consistency the following criteria are used to determine whether a request is Sufficiently Complex.

Connections are Sufficiently Complex where there are known obstacles on the proposed route of the new apparatus and the anticipated total cost of the construction works including applicable overheads is expected to exceed £10,000, or where the total construction costs including applicable overheads is expected to exceed £100,000.

Reinforcements are Sufficiently Complex where there are known obstacles on the proposed route of the Reinforcement apparatus and the anticipated total cost of the construction works including applicable overheads is expected to exceed £10,000, or where the total construction costs including applicable overheads is expected to exceed £250,000.

When a project is determined to be of Sufficient Complexity GTC will quote for, charge and having received payment, will carry out the design of apparatus prior to estimating the cost of constructing any equipment (GTC may decide that it is appropriate to split the design work into stages e.g. feasibility study, conceptual design study etc. with each stage being quoted charged and completed before commencing a subsequent phase).

Sufficiently Complex Jobs are charged on the basis of anticipated cost plus applicable overheads. As indicated above, we will supply the customer with a design study in respect of Sufficiently Complex connections. Apart from any Minimum Connection work, the customer may use this information under licence, to independently construct the connection apparatus. GTC will not provide a design report in respect of Sufficiently Complex Reinforcement works.

A list of obstacles is given at **Appendix 2**.

It is unlikely that GTC will be providing any Entry and Storage connections. However, should GTC be required to do so, it will treat such connections as Sufficiently Complex Jobs.

As at the effective date of this statement GTC does not own or operate, and does not envisage that it will own or operate, an above 7 barg system. However, in the unlikely event that GTC should own such a system, any works associated with a 7 barg system shall be determined to be a Sufficiently Complex Job.

### **2.13 Reinforcement**

Typically, GTC connects its gas pipe-line networks to the upstream networks of Host GDNs. At the time of making the connection GTC will secure capacity for known future growth. However, subsequent to making the connection a customer may request a new or augmented connection with a capacity that was not foreseen at the time of GTC making the connection to the Host GDN network. In such circumstances either the Host GDN, GTC or both may have to reinforce their networks in order to satisfy the connection request.

On receiving a request for a connection that will result in the capacity of the connection to the Host GDN network being exceeded GTC will apply to the Host GDN for additional capacity. If the GDN has to reinforce its network it may charge<sup>2</sup> GTC for the work. Where it does so, GTC will recover the charges for such reinforcement (along with GTC's reasonable overheads) from the customer.

If GTC is required to reinforce its own network to facilitate a connection request the cost of undertaking such reinforcement will be charged to the customer along with GTC's reasonable overheads.

### **2.14 Reinforcement for embedded System Entry and Storage Connections**

It is unlikely that GTC's network will be suitable for these type of connections. However, if such reinforcement is required the methodology outlined in section 2.13 above will be used.

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<sup>2</sup> Any charges levied on GTC by the Host GDN will be subject to the Host GDN Connection Charging Methodology Statement published pursuant to standard condition 4B of its Gas Transporter Licence.



## 2.15 Gas Infill Projects (Infills)

In an Infill, the proportion of any shared costs to be paid at each premises will be calculated as follows:

- a) The shared costs include the cost of the new mains, connecting the new mains with existing mains, installing pressure controlling apparatus (not part of any Supply Meter Installation) and, if applicable, the charge for the provision of capacity on our existing systems.
- b) For us to proceed with an Infill, we will conduct a survey in the area to be supplied to assess the number of premises which are likely to connect within twenty years of the new mains being laid. It is this number which is used to apportion costs, not the total number of premises in the area.
- c) Subject to the Gas (Connection Charges) Regulations 2001 as amended, the appropriate proportion of the shared costs is charged to all customers connecting in the Infill area for a period of not more than twenty years until the total cost of the mains has been recovered or the scheme closes whichever is the earlier.
- d) The twenty-year period starts on the day the Relevant Main is commissioned.
- e) In an Infill, the cost of the service pipe will be charged on an individual basis in the same way as any other connection (potential consumers within an Infill will benefit from the Domestic Load Connection Allowance, where this is applicable).
- f) Where a consumer, likely to consume more than 2,196MWh (75,000 therms) per annum, is situated within the Infill, and will connect to gas at the time when mains are laid, they will pay a mains contribution in direct proportion with their share of the total anticipated annual offtake quantity within the Infill.
- g) Where a consumer, likely to consume more than 2,196 MWh per annum, is situated within the Infill, and declines to connect at the time when mains are laid then that consumer will not be permitted to connect to the Infill mains unless either:
  - h) the twenty-year infill period has expired; or
  - i) they fund sufficient reinforcement to enable the remaining not above 2,196 MWh (75,000 therms) per annum premises within the Infill, which might connect to gas, to be connected without there being any requirement for any additional reinforcement within the twenty year period.

## 2.16 Designated Areas

In accordance with the provisions of Licence Condition 4C On application by a gas transporter the Authority GTC may apply to the Authority that an area be classified as a “designated area”. The authority may designate an area where:

- (a) it appears to the Authority that gas has not previously, or has not within the previous 3 years, been conveyed through pipes to any premises therein other than ones which had been supplied with gas at a rate in excess of 2,196,000 kilowatt hours a year; and

- (b) it appears to the Authority that, taking into account both any existing premises and probable developments in the area, it is likely that the area will contain premises of which more than a half will not be within 23 metres of a relevant main, whether of the licensee or of any other gas transporter, which was in existence before the designation of the area.

In designating an area a gas transporter recovers a proportion of the connection charges as a supplemental charge in its transportation charges.

## **2.17 Non gas fuel poor network extension vouchers**

Because of the nature of GTC's networks, most of the properties within 23metres of its main already have a gas supply. Therefore the arrangements described in this section 2.17 are only likely to apply in very limited circumstances.

### **2.17.1 General policy**

Ofgem has established arrangements to facilitate the supply of gas to non-gas fuel poor communities and individual fuel poor customers. These arrangements are set out in Ofgem's letter of 29 June 2011<sup>3</sup> Additionally, GDNs in their own connection charging statements set out their own specific arrangements for the administration of the Non Gas Fuel Poor Network Extension Scheme.

Under these arrangements GDNs will provide and apply Fuel Poor Vouchers to connection requests from eligible customers and communities. GDN charging statements set out how the value of these vouchers is calculated using the NPV of future transportation revenues.

Appendix 3 of Ofgem's letter, along with the GDN connection charging statements, set out how GDN's will calculate the value of the Fuel Poor Voucher to be provided to GTC where they provide a connection to an eligible customer or community from their network. Prior to receiving a Fuel Poor Voucher from the Host GDN, GTC will need to demonstrate to the Host GDN that the qualifying criteria for an eligible customer or community are satisfied.

Where GTC receives a Fuel Poor Voucher from the Host GDN towards the costs of providing a connection to an eligible customer or community, it will use such voucher to its fullest extent to offset the costs of providing the connection. However, Ofgem's arrangements for GDNs to offer Fuel Poor Vouchers do not extend to IGTs. Therefore, GTC does not offer any Fuel Poor Vouchers in addition to those provided by the Host GDN.

To facilitate providing connections to eligible customers and communities GTC has entered into arrangements with a funding partner to undertake assessments of eligibility. GTC has received Ofgem approval of this partner.

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<sup>3</sup> <http://www.ofgem.gov.uk/Pages/MoreInformation.aspx?docid=255&refer=Networks/GasDistr/GasDistrPol>

### **2.17.2 Eligibility**

For the purposes of the arrangements set out in this section 2.17 eligible premises are existing domestic premises which currently have no gas supply which:

- at the time of the connection request, reside within the 20% most deprived areas, as measured by the Government's Index of Multiple Deprivation (IMD), when measured at the Lower Level Super Output Area (LOSA). The index of multiple deprivation is defined separately for England, Scotland and Wales. Therefore, for instance, a Welsh household will qualify if it falls within one of the 20% most deprived areas in Wales as measured by the Welsh Index of Multiple Deprivation (WIMD)<sup>4</sup>; or
- are eligible for measures under Warm Front (England), Nest (Wales) or the Energy Assistance Package<sup>5</sup> (Scotland); or
- fall within the Priority Group (low income households and over 70 years of age) for measures under the Carbon Emissions Reduction Target (CERT); or
- are in fuel poverty based on the standard Government definition - that is spend more than 10% of their disposable income on all household fuel use to maintain a satisfactory heating regime.

The eligibility will not be extended to non-domestic premises or domestic new build premises, regardless of whether they are in a deprived area or not. It is envisaged that developers will continue to pay for the full cost of connections for new build domestic properties.

### **2.18 Adoption of below 7 barg Apparatus**

Subject to the exception detailed in the paragraph below we will adopt any fit for purpose below 7 barg connections apparatus that is connected to our system and that is not intended to be operated by another system operator e.g. another Gas Transporter.

GTC will not adopt apparatus (except Final Connection apparatus) where this forms part of a system of pipes that includes any apparatus, which will become a connected system that will not also be adopted by GTC.

GTC will adopt free of charge below 7 barg connections apparatus installed by Independent Connection Providers that are registered with the Gas Industry Registration Scheme.

GTC will levy a charge in respect of the adoption of below 7 barg connections apparatus that is installed by persons who are not registered with the Gas Industry Registration Scheme (GIRS). Details of these charges are given in the Connection Services Charges Document.

Where a person is not registered with the Gas Industry Registration Scheme they should contact GTC to explain their intentions and to discuss the adoption procedure before carrying out any works in respect of the design or construction of below 7 barg apparatus that they wish GTC to adopt.

Adoption Payments: GTC does not make any adoption payments in respect of assets that are (or are to be) connected directly to its pipe-line systems. Acquisition payments for pipe-line systems that are to be connected to the pipe-line of another transporter are out side the scope of this charging statement.

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<sup>4</sup> Details of the Index can be found at [www.communities.gov.uk](http://www.communities.gov.uk).

## **2.19 Lane Rental and Traffic Congestion Charges**

GTC will pass on to customers the appropriate cost incurred pursuant to prevailing traffic management legislation in force at the relevant date, subject to prevailing legislation and the requirements of Standard Condition 4B(1) of our Licence.

## **3 CHARGING FOR GAS SERVICE ALTERATIONS AND DISCONNECTIONS**

An alteration occurs when a person requests the relocation of a gas service pipe, without there being any significant variation in the load at the premises. A disconnection occurs when a person requests that an existing gas service pipe is cut off.

In general we will follow the same principles that we apply to connection works in respect of pricing disconnection and alteration services.

### **3.1 Disconnections**

GTC will disconnect service pipes that it owns when requested by the Registered User. If a person who owns or occupies the premises, or a person acting as their agent, contacts GTC to request a disconnection, GTC will request their permission to contact the Registered User and will then gain permission to disconnect from the Registered User.

This document relates to connection services and therefore excludes details of meter disconnection services or charges.

GTC will charge the cost that it reasonably expects to incur when disconnecting a service pipe. In some instances GTC will make use of standard charges. In these instances, charges will be levied in the same way as for connection asset installation. Charges will include appropriate overheads.

GTC will not charge the additional cost where it carries out works which are additional to those required to fulfil the requirements of a disconnection customer and which are designed to enhance its pipe-line system.

If works are unable to proceed as a result of the presence of a Supply Meter Installation, or because outlet pipe-work has not been purged, GTC will charge an abortive visit charge.

### **3.2 Alterations - Services provided**

GTC will alter the position of any service pipe it owns when this is requested by the Registered User or by the person who owns or occupies the premises, supplied by that pipe, or a person acting as their agent.

In addition, GTC will relocate the position of any Supply Meter Installation where this is required as a result of the relocation of a gas service pipe this document, which relates to connection services, does not contain any detail of meter relocation services or charges).

GTC will charge the cost that it reasonably expects to incur when altering the position of a service pipe. In some instances GTC will make use of standard charges. In these instances, charges will be levied in the same way as for connection asset installation. Charges will include appropriate overheads.

GTC will not charge for the alteration of a meter position and / or service pipe where requested by a Qualifying Person. In these cases the work carried out by GTC will be the least cost fit for purpose solution to meet the physical needs of the customer. Any additional works beyond this will be chargeable to the customer.

Where a customer requires GTC to make a separate visit to disconnect the service pipe prior to altering the position of the service pipe, a standard disconnection charge will apply.

GTC will not charge the additional cost of works it carries out that are in addition to those required to fulfil the requirements of an alteration of the customer's service pipe, and which are designed to enhance our system.

#### 4 KEY DEFINITIONS

Alteration:	means any change made to an existing service pipe, and associated equipment, to premises.
Approach Main:	means a pipe that will become a Relevant Main (not necessarily a Relevant Main that is part of our system) that is designed to connect a new system of pipes with an existing transportation system.
Connected System	means a gas pipe-line system that is connected to GTC's gas pipeline systems but which is owned and operated by another gas transporter who is authorised to convey gas.
Connected System Exit Point (or CSEP)	Means the point at which a Connected System operated by another authorised gas transporter connects to GTC's gas pipe-line systems.
Design Works	means the preparatory work required before the Physical Connection activity can commence. Very small projects e.g. the connection of a small domestic premises require little in the way of design and no charge is made in respect of design for these projects. GTC applies standard design charges in respect of larger, but routine, connection projects.
Disconnection:	means the physical disconnection of a service pipe from the Relevant Main.
Distribution Network System	means the relevant gas pipe-line system owned by GTC
Diversion	means a change made to the route of an existing main or the relocation of other gas transportation (not service pipe associated) apparatus.
Domestic Load Connection Allowance	shall have the meaning ascribed to it in Section 2.10

Final Connection:	means to physically connect connections apparatus to the Relevant Main but does not include costs of excavation, backfill or reinstatement.
GTC System:	means the relevant gas pipe-line system owned by GTC Pipelines Ltd, Independent Pipelines Ltd or Quadrant Pipelines Ltd.
Host GDN:	Means the operator of the upstream pipe-line system to which the GTC pipe-line system is connected to.
Infill:	means the extension of new relevant mains to an area having a number of existing premises, or a combination of new and existing premises, where not all of the owners or occupiers of those premises have expressed a desire to be connected to a gas supply at the time the mains are laid. Individual connection charges are based on the likely uptake of gas over a twenty year period and the infill can only progress if sufficient acceptances are received to make the project economic. The charging arrangements for Infills are covered by the Gas (Connection Charges) Regulations 2001 (SI 2001 No. 3267).
Minimum Connection	means the apparatus, determined by GTC, that is required to connect apparatus of a third party to an above 7 barg system operated by GTC.
Physical Connection Works	means works to supply and lay gas services and mains, including any associated equipment and works to reinforce GTC's gas pipe-line system.
Qualifying Person	means a person who requires the relocation of their gas meter and / or emergency control valves because of his or her physical condition, who is either: of pensionable age and / or is a registered disabled person and / or is a chronically sick person
Relevant Main	means a distribution main operated by gas transporter, which is being used for the purpose of giving a supply of gas to any premises in its authorised area at a rate not exceeding 2,196 MWh per annum, except any pipe which is not relevant in accordance with Section 10(13) of the Gas Act 1986 as amended by the Gas Act 1995.
Supply Meter Installation	means the gas meter and associated apparatus used to measure the volume of gas offtaken at a Supply Point.
Supply Point	Means the System exit point comprising the Supply Meter Installation.
Winter	Means the period between 1 November an any year until and including 30 April in the succeeding year.

## **Appendix 1 Provision of Meter Housings / Boxes**

GTC will provide and charge for meter housings / boxes to customers that have requested a service pipe from us, with the exception of cavity/inset meter boxes, which the customer must procure and install prior to commencement of our engineering works.

When GTC installs a meter housing or box the associated labour costs are chargeable.

GTC will not provide a meter housing / box or transport it to site unless it is also going to install it.

All charges made in respect of the installation of meter housings or boxes will include applicable overheads.

A meter housing (or meter box) becomes the property of the owner of the premises after it has been installed; consequently maintenance is the responsibility of the premises owner.

GTC offers a 1 year guarantee in respect of meter boxes that it supplies, however this is invalidated if any defect or damage has been caused other than by fair wear and tear. GTC does not offer a guarantee in respect of meter housings.

### **Notes:**

- ii) For the purpose of this Statement a meter box refers to a meter housing, which is designed to contain a gas meter of a volumetric flow capacity of six cubic metres per hour or less. Meter housings refer to all other structures, which are purposely designed to contain gas meters.
- ii) Some retail outlets stock certain types of meter box.

## Appendix 2 List of Obstacles

The list below details those obstacles, which have the potential to cause a project to be determined to be of Sufficiently Complex. Projects which have at least one obstacle and which are exclusively <7barg will only be determined to be Sufficiently Complex if they are likely to cost in excess of £10,000 including overheads.

Typical obstacles:

- Works which involve the crossing of, or which are affected by, the presence of motorways, dual carriage ways or highways, which have been designated by the Highway Authority to have Special Engineering Difficulties.
- Works which involve the crossing of, or which are affected by, the presence of a railway line or tramway.
- Works which involve the crossing of, or which are affected by, the presence of a river, stream, estuary or canal (navigable or otherwise) , body of water, aqueduct, or a drainage channel.
- Where works are in, or likely to affect, a Site of Special Scientific Interest, nature reserve, scheduled monument or archaeological site.
- Where works are situated within, or likely to affect, a woodland, marsh, peat bog or coastal wetland.
- A connection to a listed building.
- Connections to existing blocks of flats where any service pipe will terminate more than two stories above the adjacent ground level or where internal risers are requested.
- Connections to new blocks of flats where any service pipe will terminate more than five stories above the adjacent ground level.
- Works which involve any requirement for a public enquiry or planning permission, including planning permission associated with any buildings including meter houses.
- Where the route of any apparatus involves a significant (greater than 2m) change in elevation within a short horizontal distance e.g. a cliff or retaining wall.
- Where any apparatus will be laid in contaminated ground, disused slag heaps or rubbish dumps.
- Where any apparatus will be laid in land likely to suffer from severe subsidence or other significant ground movement including the laying of apparatus near to disused mine shafts/workings.
- Where works are likely to be affected by special security provisions e.g. military bases, prisons etc.



- Where works will take place within top tier COMAH sites.
- Where an easement or other legal permit has to be obtained from any person other than the person requesting the works.
- Any other works where special difficulties or unusually high costs might occur.

## **Appendix 3 Contact information**

### **Requesting our Domestic Connections Services**

To obtain any of the domestic services set out in this document, please contact the Operations/Infill department at:

GTC  
Energy House  
Woolpit Business Park  
Woolpit  
Suffolk  
IP30 9UP  
Telephone: 01359 243360  
e-mail: [1house1connection@gtc-uk.co.uk](mailto:1house1connection@gtc-uk.co.uk)

### **Further Information on this document**

Any comments or enquiries regarding this document should be forwarded to our Regulation and Compliance Manager at the above address.

### **Complaints**

In the first instance complaints should be raised with us by contacting the Operations section at the above address. If the matter is not resolved it should be referred to energywatch.

energywatch can be contacted as follows:

Telephone: 0845 906 0708  
Website: [www.energywatch.org.uk](http://www.energywatch.org.uk)  
e-mail: [enquiry@energywatch.org.uk](mailto:enquiry@energywatch.org.uk)

If it ultimately proves necessary to refer the matter to Ofgem for a determination, correspondence should be addressed to:

The Chairman  
The Gas and Electricity Markets Authority  
Office of Gas and Electricity Markets  
9 Millbank  
London  
SW1P 3GE

**Appendix 4 Designated Areas**

**GTC has no Designated Areas**

**Schedule Connection Charging Examples**

Notes on charging examples in this document:

1. Charges are indicative only, as at the time of publication, and totals may not tally due to rounding.
2. Meter work charges are excluded here, but may be shown on connection quotations.
3. VAT is excluded, however it may apply in certain circumstances.
4. Examples exclude any cost pursuant to traffic management legislation.

**Identification of GTC Regions by Post Code.**

Region	Post Codes Covered
<b>North</b>	AB, B1, B10, B11, B12, B13, B14, B15, B16, B17, B18, B19, B2, B20, B21, B22, B23, B24, B25, B26, B27, B28, B29, B3, B30, B31, B32, B33, B34, B35, B36, B37, B38, B39, B4, B40, B41, B42, B43, B44, B45, B46, B5, B6, B61, B62, B63, B64, B65, B66, B67, B68, B69, B7, B70, B71, B72, B73, B74, B75, B76, B77, B78, B79, B8, B81, B82, B83, B84, B85, B86, B87, B88, B89, B9, B90, B91, B92, BB, BD, BL, CA, CH, CV1, CV10, CV11, CV12, CV13, CV2, CV3, CV4, CV5, CV6, CV7, CV9, CW, DD, DE, DG, DH, DL, DN, DY, EH, FK, FY, G, HD, HG, HU, HX, IV, KA, KW, KY, L, LA, LE, LL, LN, LS, M, ML, NE, NG, OL, PA, PE10, PE11, PE20, PE21, PE22, PE23, PE24, PE25, PE9, PH, PR. S, SK, SR, ST, SY, TD, TF, TS, UL, WA, WF, WN, WS, WV, YO.
<b>South East</b>	AL, B47, B48, B49, B50, B60, B80, B93, B94, B95, B96, B97, B98, BN, BR, CB, CM, CO, CR, CT, CV21, CV22, CV23, CV24, CV25, CV26, CV27, CV28, CV29, CV30, CV31, CV32, CV33, CV34, CV35, CV36, CV37, CV38, CV39, CV40, CV41, CV42, CV43, CV44, CV45, CV46, CV47, CV8, DA, E, EC, EN, HA, HP, G, IP, KT, LU, ME, MK, N, NN, NR, NW, PE1, PE12, PE13, PE14, PE15, PE16, PE17, PE18, PE19, PE2, PE26, PE27, PE28, PE29, PE3, PE30, PE31, PE32, PE33, PE34, PE35, PE36, PE37, PE38, PE4, PE5, PE6, PE7, PE8, RH, RM, SE, SG, SL, SM, SS, SW, TN, TW, UB, W, WD.
<b>South West</b>	BA, BH, BS, CF, DT, EX, GL, GU, HR, LD, NP, OX, PL, PO, RG, SA, SN, SO, SP, TA, TQ, TR, WR.

**Example 1 One off domestic services within 23m of a GTC main and up to 20m in length**

**Standard Charge**

	Connection to low pressure main	Connection to medium pressure main	Connection with no service pipe in private land
South West Region	£814	£814	£168
South East Region	£680	£680	£132
Northern Region	£564	£564	£142

- GTC will carry out the excavation and reinstatement in public highway
- Charges are exclusive of VAT which will be applied at the appropriate rate
- For Intermediate pressure services the bespoke cost of a pressure reduction installation and housing will be added to the quote for a low pressure cost above and will be sited on the customers land

**Application**

The standard charge applies for up to 20 metres of service pipe to be laid on land owned or occupied by the person requesting the connection, where the service termination is no more than 3 metres above the exterior ground surface level, subject to the eligibility criteria being satisfied.

**Eligibility**

- The premises is used wholly or mainly for domestic purposes and is anticipated to consume 73,200 kWh per annum or less.
- There is no existing gas supply to the premises.
- The individual premises does not form part of a multiple development, or where it does, the owner or occupier<sup>5</sup> of each premises can be identified<sup>6</sup>.
- the person requesting the connection is the owner or occupier of the premises or their agent.

<sup>5</sup> Housing developers or landlords or an agent working on behalf of a developer or landlord are not eligible

<sup>6</sup> Acceptable forms of evidence in respect of the identification of the person who owns or occupies a premises (being either a single premises or a premises within a multiple development are:

- the name and address of the owner or occupier of the premises; or
- A written statement specifying the reasons why a name and address cannot be provided and confirming that the premises are individually owned or occupied.

## Example 2 Service alterations at customer request

### Standard Charge

South West Region	£1,115
South East Region	£1,215
Northern Region	£1,248

- Charges are exclusive of VAT which will be applied at the appropriate rate.

### Assumptions:

- The average job time will be 4 hours with 2 hours travel time.
- Charges exclude highway reinstatement.
- Charges exclude any work to the gas installation. The customer will be required to organise any Gas Safe elements.
- Existing meter materials can be reused.

### Eligibility

- Polythene service pipe with a diameter of 32mm.
- Pressure less than 7 barg.
- The existing service entry (the location where the service pipe enters the property is no more than 3 metres above ground level.
- The proposed service entry (the location where the service pipe enters the property is no more than 3 metres above ground level.
- The total length of the alteration is no more than 20m in length.
- The person requesting the connection is the owner or occupier of the premises or their agent.
- Unrestricted access is granted to the site.
- The works are not impacted by any unusual site conditions that impose additional health and safety or environmental risks

### Example 3 IGT CSEP connection to GTC parent main

#### Standard Charge

South West Region	£153
South East Region	£153
Northern Region	£153

- Charges are exclusive of VAT which will be applied at the appropriate rate.

#### Assumptions:

- IGT requiring the connection will undertake all physical works.
- Average GTC planning engineer design verification time 3 hours.
- No reinforcement GTC pipe-line system is required.
- Average GTC technical SCO authorisation is 2 hours.

#### Eligibility

- Gas Transporter must be authorised by a Gas Transporter Licence granted pursuant to section 7(2) of the Gas Act 1986 to convey gas to premises or to pipe-line systems of other gas transporters.
- All work to be undertaken by parties registered under the Gas Industry Registration Scheme (GIRS)