

# CADENT CONNECTION SERVICES CHARGES

Covering Cadent's Four Gas Distribution Networks:

NORTH WEST WEST MIDLANDS EAST ANGLIA LONDON

STANDARD CHARGES EFFECTIVE FROM 01<sup>ST</sup> NOVEMBER 2023

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# 1. INTRODUCTION

This document outlines Cadent's standard charges for gas distribution connections. Cadent is the GT Licence holder for Gas Distribution in the four Distribution Networks shown below. All references to "we", "us" and "our" in this document are to Cadent, trading as Cadent Gas Ltd. The application of each type of standard charge set out in this document is governed by a set of Application Criteria that are provided in each respective section.

# Fig. 1 – Our Distribution Networks

The geographical layout of our four networks is illustrated here.

Where charges vary by network, the relevant Distribution Network is generally identifiable by means of the customer's site address Post Code.



The standard charges set out in this document include overheads, but exclude Streetworks Scheme Charges and VAT. Certain charges also include a specified profit margin, where this is indicated. VAT will be applied to charges<sup>1</sup> at the appropriate rate, which will depend upon the type of work, type of property and the status of the customer to whom the charge is being made.

In order to gain access to the public highway to conduct customer-ordered works, Cadent may incur Streetworks Scheme Charges. We reserve the right to pass on these costs directly to the customer, as appropriate. Please refer to Appendix D for more information.

The standard charges set out in this document are calculated in accordance with our connections charging methodology. Our Gas Distribution Connections Charging Methodology Statement, together with other information on our gas distribution services, is available on the Cadent web site:

http://cadentgas.com, under the heading "Get Connected".

# Competition in connections services:

Please note that the provision of connection services listed in this document is open to competition. To obtain an alternative quotation for connections works, please see the web page:

<u>http://cadentgas.com/Get-connected/Alternative-providers</u> Details of independent connection providers who hold Gas Industry Registration Scheme (GIRS) membership can also be obtained from the following web sites: <u>http://www.eua.org.uk/membership/utility-networks/utility-infrastructure-providers</u>

<sup>&</sup>lt;sup>1</sup> including Streetworks Scheme Charges, where these apply

# 2. DOMESTIC CONNECTION CHARGES

The charges included in the table below reflect a standard domestic gas connection, which includes Cadent carrying out all trench excavation and reinstatement required for the job.

### Table 1 – Standard Domestic Connection Charges (excl. VAT)

The charges in the table below reflect the application of a regulatory subsidy which has significantly lowered the cost that customers need to pay. This subsidy is called the Domestic Load Connection Allowance and is explained more in Appendix B

#### Standing Charge

East	East	London	North	West
Anglia	Midlands		West	Midlands
£460	£429	£536	£404	£422

Cadent will charge additional cost per metre of length in private (up to a combined length of 63m as long as the public length remains within 23m)

The charges for the rate per metre are shown in the table below

#### Charge per metre

East Anglia	East Midlands	London	North West	West Midlands	
£118	£121	£146	£108	£100	

**Cadent** will further reduce the charge to customers where the following characteristics are identified for the job, as outlined in the table below. With the nature of some savings, it will not be until the site survey or later that these savings can be identified; the customer's charge will be adjusted accordingly.

#### Table 2 – Savings against the Standard Domestic Connection charges

Characteristic / option for	Charge per metre reduced by	
Customer elects to dig and reinstate their	70%	
own trench on private land		
Characteristic / option for	Standing charge reduced by	
Where an additional Connection can be	85%	
made off the same existing meter		
manifold and where the work can be		
carried out under the same excavation <sup>2</sup>		

Utilising our statutory rights, Cadent will always carry out the related excavation on public land.

There is the option for the customer to provide their own meter box, however, if they require Cadent to provide this then a fixed cost of £56 (excl. VAT) will apply.

If there is a requirement for a kiosk this will be an additional cost of £341 (excl. VAT)

<sup>&</sup>lt;sup>2</sup> this saving cannot be used in conjunction with other savings

For customers that are applying for a new gas connection, where the land owned or occupied by the person requiring the connection is above 40m are eligible to receive a standard charge, with an additional charge per metre for up to a combined length of 63m (as long as the public length remains within 23m).

If the combined total is above 63m then this would need to go for bespoke costing, with a quotation charge applicable.

### **Application Criteria**

The above standard charges are applicable for up to 40 metres of service pipe to be laid on land owned or occupied by the person requiring the connection, where the service termination is not above the exterior ground surface level. To be eligible for a standard charge, all the following criteria must be met:

- the new connection must be for individual premises situated within 23 metres of one of our relevant mains, operating at a pressure equal to or less than 2 barg, with no engineering difficulties or other obstacles<sup>3</sup> present that would result in more than 23 metres of pipe being laid to the premises boundary;
- the premises is being used or proposed to be used mainly or wholly for domestic purposes;
- no more than 10 gas connections
- there is no existing gas supply to the premises;
- the premises is not situated within a "live" Infill Scheme (see Other Information below)

Any individual premises meeting the above criteria is eligible, regardless of whether the enquiry is part of a single or multiple connection request. Where the above criteria are not met, a bespoke quotation will be provided for the required new connection works.

#### Further description and clarification of the charges

Additional Work – On occasion, we may carry out additional work to that required by the customer in order to ensure that we develop and maintain our pipeline system in an economic and efficient manner. Such additional work will not be charged to the person requesting the connection.

**Customer elects to dig and reinstate their own trench on private land -** The customer will need to complete the excavation of the required trench to prescribed standards prior to Cadent attending site, to avoid having to pay for a works variation (to pay for us to carry out excavation) or an abortive visit charge.

**Fuel Poor Connections –** Special charging arrangements apply to connection requests for domestic customers whose premises has been designated as Fuel Poor in accordance with

<sup>&</sup>lt;sup>3</sup> including, but not limited to works which involve the crossing of or affected by the presence of a motorway, railway, waterway, site of special scientific interest, or where an easement or other legal permit has to be obtained from any person other than the person requesting the works

set criteria. The Fuel Poor criteria and charging arrangements are set out in our Section 6 of our Gas Distribution Connections Charging Methodology Statement. Charging for individual Fuel Poor connections is further explained in Appendix C to this document.

**Infill Schemes -** Premises which fall within a 'live' Infill Scheme are not eligible for the Domestic Load Connection Allowance and will therefore receive a non-standard quotation for the full cost of installing the service pipe. They will also be required to pay a mains contribution, in line with other domestic connectees within that scheme.

**Meter Boxes** – The customer has an option for Cadent to fit a 'semi-concealed' 'surface mounted' or a kiosk [Applicable charges detailed above will apply]. Where a 'built in' meter housing is required, the customer must purchase this and ensure that it is installed prior to us beginning the engineering works.

On completion of works a meter box becomes the property of the customer, who is then responsible for ongoing care and maintenance.

**Specialist Surfaces -** Customers are advised that we are unable to ensure full reinstatement of specialist surfaces, e.g. mosaic tiles or coloured flagstones. In such cases, customers are advised to engage their own specialist contractor to replace the final surface to their requirements. We are also unable to replace any plants damaged as a result of the work being carried out.

**Streetworks Scheme Charges** – Additional highway authority charges may apply to the above charges and the VAT will be applicable in the same way as the standard charge. Refer to Appendix D for an explanation of the applicability of Streetworks Scheme Charges.

**Zero Horizontal Length (0 metres on Private Land) –** This category refers to jobs where no excavation will occur on private land, i.e., the customer occupies a house or flat that fronts directly onto the street. They may have a connection to a meter box, or a ground floor house entry, or an entry into a basement or to a first floor flat where no more than 3m of above ground pipework will be installed. This category does not include the installation or reinstallation of a connection to a pre-existing riser.

# 3. DISCONNECTION CHARGES

Fable 3 – Standard Service Disconnection Charges (excl. VAT)
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Pipe Size	East Anglia	East Midlands	London	North West	West Midlands
<=63mm PE / 2" met	£1,548	£1,430	£1,950	£1,430	£1,430
90mm PE / 3" met	£2,187	£1,923	£2,739	£1,923	£1,923
125mm PE / 4" met	£2,565	£2,273	£3,369	£2,273	£2,273
180mm / 6" met	£2,941	£2,602	£3,796	£2,602	£2,602

"PE" = yellow plastic service pipe; "met" = metallic service pipe

Cadent will reduce the charge to customers where the following characteristics are identified, as outlined in the table below. With the nature of some savings, it will not be until the site survey or later that these savings can be identified; the customer's charge will be adjusted accordingly.

#### Table 4 – Savings against the Standard Disconnection charges:

Characteristic / option for	Saving against standard charge
Each additional Disconnection at the	4%
same location, where a separate	
excavation is required	
Each additional Disconnection, where no	92%
further excavations are required	

# **Application Criteria**

These charges are applicable for disconnection of gas service pipes connected to the low and medium distribution networks (below 2 barg operating pressure). The charge is based upon the diameter of the service pipe to be disconnected.

# Further description and clarification of the charges

Additional Work – On occasion, we may carry out additional work to that required by the customer in order to ensure that we develop and maintain our pipeline system in an economic and efficient manner. Such additional work will not be charged to the person requesting the connection.

**Gas Meter Clamping/Removal –** Charges associated with the clamping and/or removal of gas meters that are owned by us are set out in Cadent's statement of Gas Metering Charges.

**Streetworks Scheme Charges** – Additional highway authority charges may apply to the above charges and the VAT will be applicable in the same way as the standard charge. Refer to Appendix D for an explanation of the applicability of Streetworks Scheme Charges.

# 4. DOMESTIC SERVICE ALTERATION CHARGES

Our standard pricing **applies** to domestic properties. This includes a fixed standard charge, in addition to a charge per metre for the distance from your existing meter location to the new location.

The charges included in the tables below reflect a standard service alteration, which includes Cadent carrying out all trench excavation and reinstatement required for the job.

The charges are applied on the basis of the length of the required service pipe alteration (i.e. from the point at which the existing service pipe needs to be cut back, via the desired new route to the required meter location point).

# Table 5 Standard Domestic Alteration Charges (excl. VAT)

Standing Charge						
East Anglia	East Midlands	London	North West	West Midlands		
£652	£593	£729	£613	£593		

Cadent will charge an additional rate based on the service length. The rates for these can be found in the table below.

East	East	London	North	West
Anglia	Midlands		West	Midlands
£118	£121	£146	£108	£100

The standing charge includes for, Cadent to relocate and reconnect the meter, carry out related internal pipework (up to 3m) and purge and relight the customer's gas appliances. Any internal pipework that is laid over 3m will be charged at £36 per metre.

Cadent will reduce the charge to customers where the following characteristics are identified, as outlined in the table below. With the nature of some savings, it will not be until the site survey or later that these savings can be identified; the customer's charge will be adjusted accordingly.

#### Table 6 – Savings against the Standard Alteration charges:

Characteristic / option for	Charge per metre reduced by
Customer elects to dig and reinstate their	
own trench on private land <sup>4</sup>	70%
Characteristic / option for	Standing charge reduced by
Customer arranges for their own gas safe	5%
engineer to relocate the meter	
Customer arranges their own internal	
pipework and reconnection (incl. purge	5%
and relight of appliances)	

<sup>&</sup>lt;sup>4</sup> for safety reasons, before customer's are eligible for the saving, customer's will be tested against set competency criteria for digging in the vicinity of live gas services (note – the saving will only be passed on once the eligibility criteria has been confirmed)

There is the option for the customer to provide their own meter box, however, if they require Cadent to provide this then a fixed cost of £56 (excl. VAT) will apply.

If there is a requirement for a kiosk this will be an additional cost of £341 (excl. VAT).

### **Application Criteria**

To be eligible for any of the above standard charges, the premises must be used mainly or wholly for domestic purposes and the service pipe alteration works must meet all the following criteria:

- Service pipe diameter 1" metallic / 32mm PE, or less and operating at a pressure equal to or less than 2 barg;
- Both the existing and proposed service entry points (the location where the service pipe enters the property) are not more than 3 metres above ground level;
- The total length of the alteration is not more than 20 metres;
- The pipe to be altered is a pipe that is designed to supply only one or two supply meter points;
- No unusual security or similar access restrictions apply, e.g. where a property is within a secure military base a standard charge will not be applicable;
- At the time of the request the customer does not anticipate that the completion of the works will be affected by any unusual health, safety or environmental risks, e.g., working under scaffolding erected by others, presence of asbestos dust or other hazards compromising access/egress to the working area

Where the Application Criteria for these standard charges are not met, we will provide a bespoke quotation for the required alteration works.

#### Further description and clarification of the charges

**Customer elects to dig and reinstate their own trench on private land -** The customer will need to complete the excavation of the required trench to prescribed standards prior to Cadent attending site, to avoid having to pay for a works variation (to pay for us to carry out excavation) or an abortive visit charge. For safety reasons, before customers are eligible for the saving associated with self-excavation, the customer will be tested against set competency criteria for digging in the vicinity of live gas services (note – the saving will only be passed on once the eligibility criteria have been confirmed in advance)

**Customer elects to dig and reinstate their own trench on private land -** The customer will need to complete the excavation of the required trench to prescribed standards as outlined in our "New Connections - Excavation Guide June 2020" (link below) document prior to Cadent attending site, to avoid having to pay for a works variation (to pay for us to carry out excavation) or an abortive visit charge. For safety reasons, before customers are eligible for the saving associated with self-excavation, the customer will be tested against set competency criteria for digging in the vicinity of live gas services (note – the saving will only be passed on once the eligibility criteria have been confirmed in advance)

https://cadentgas.com/services/household-customer/services-document-library

**Disconnection prior to Service Alteration –** Where customers require the service pipe to be disconnected in a separate visit, prior to the service alteration, a standard disconnection charge will apply (see Section 3).

**Load Increases –** If we are required to alter existing pipework to meet a request for an increase in load, the standard charges will not be applicable.

**Qualifying Persons** – We will not charge for the minimum alteration<sup>5</sup> of a meter position and / or service pipe to meet the physical needs<sup>6</sup> of people who are disabled, chronically sick or of pensionable age.

**Service Pipe Alteration by Third Parties –** The provision of service alterations is open to competition, and where a Utility Infrastructure Provider (UIP) relays  $a \le 2$ " steel service pipe as part of a service alteration we will pay a fixed allowance of £**593** per service to the UIP on satisfactory completion of the work.

**Specialist Surfaces –** Customers are advised that we are unable to ensure full reinstatement of specialist surfaces, e.g., mosaic tiles or coloured flagstones. In such cases, customers are advised to engage their own specialist contractor to replace the final surface to their requirements. We are also unable to replace any plants damaged as a result of the work being carried out.

**Streetworks Scheme Charges** – Additional highway authority charges may apply to the above charges and the VAT will be applicable in the same way as the standard charge. Refer to Appendix D for an explanation of the applicability of Streetworks Scheme Charges.

**Outlet pipework** – Any outlet pipework installed will be to the surface of internal/external walls only and via the shortest feasible route to the new meter position. We will not chase out floor surfaces/walls to conceal pipework, nor lift or disrupt floorboards or any form of laminate flooring or carpet.

**Removal of Redundant pipework** – Service gas pipe made redundant after the service alteration has been completed will be left in situ and is the responsibility of the customer to remove.

<sup>&</sup>lt;sup>5</sup> In this case "minimum alteration" means that the work carried out by Cadent 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.

<sup>&</sup>lt;sup>6</sup> In this instance, 'physical needs' means that as a result of a person's physical condition, the alteration is required to allow that person to operate the emergency control valve, and / or read the meter.

# 5. QUOTATION CHARGES

For customers requesting connections work which requires a **Non-Standard Quotation** (see glossary in Appendix B), we make a separate charge for providing the quotation for the work execution element of the job. For requests where there is more than one service, an additional charge per service will be applied. VAT will be applicable on these charges.

### Statement of charges

Non- Standard Quotation Description (any of the below)	Charge
New Supply	
Load is >275kwh (peak) (73,200Kwh annual)	
Pipework is >40m on private land (up to a maximum of 63m with the public length not exceeding 23m in the combined total of public/private)	
Pipework is >23m on public land	
>10 Connections	£510 (excl.
Meter is above ground floor level	VAT)
Connection to an IP/HP Main	
Mains work	
Alterations	
Alteration is >20m pipe length on private land	

# **Application Criteria**

- The above charges apply to all Non-Standard Quotation requests within the categories described above. For jobs deemed as 'Sufficiently Complex' the quotation charge will still apply. There will then be an additional charge for the completion of the design study as set out in Section 7.
- Please note that the above charges will be payable by the customer at the point of requesting the quotation for works.

**Profit Element** - As the above charges apply to connections services which are contestable, the quotation charges include a 0% profit margin. (Note that the quoted charges for works will include a 12% profit element<sup>7</sup>.)

**Streetworks Scheme Charges –** Note that additional highway authority charges may apply in addition to the charges quoted for work execution. Note also that where VAT applies to the quoted connection charge, VAT at the same rate will be applied to any Streetworks Scheme Charges charged in respect of that job. Please refer to Appendix D for an explanation of the applicability of Streetworks Scheme Charges.

<sup>&</sup>lt;sup>7</sup> 12% Gross profit margin is calculated as (1 / (1 - 12%))-1 = 13.64% uplift on costs.

# 6. CONNECTION DESIGN CHARGES FOR JOBS DEEMED AS SUFFICIENTLY COMPLEX

Where jobs are deemed as Sufficiently Complex, a design study must be carried out prior to providing a quotation for physical works. Charges for the design of Sufficient Complexity projects will be levied in advance and no refund is applicable except where the project is a reinforcement project that proceeds to the construction phase and that passes our Economic Test<sup>8</sup>.

### Statement of Rates

- Where the nature of a new connection project is of Sufficient Complexity we may either resource this internally or use an external design organisation.
- Where the design of Sufficient Complexity projects is resourced internally, we will predict the number of hours that our staff will take to complete the design and charge on the basis of the number of hours multiplied by the applicable standard hourly rate, which is £67 per hour (excl. VAT).
- Where an external design organisation is used, the design charge will be levied according to the cost to us, and overheads will be applied at the appropriate rate.
- It is also possible for us to use a combination of external and internal resources to complete a design. In this situation, we will charge for each type of resource using the appropriate methodology as outlined above.

### **Application Criteria**

New connections, disconnections, service alteration and reinforcement works may all be designated to be Sufficient Complexity, provided that they conform to that definition (See Glossary in Appendix B).

**Profit Element:** As the above charges apply to connections services which are contestable, the design charges payable will include a 12% profit margin<sup>9</sup>, in order to avoid distorting competition. (Note that where the customer requires Cadent to carry out the physical connection works the quoted charges for works will also include a 12% profit element.)

**Streetworks Scheme Charges –** Note that additional highway authority charges may apply in addition to the charges quoted for work execution. Note also that where VAT applies to the quoted connection charge, VAT at the same rate will be applied to any Streetworks Scheme Charges charged in respect of that job. Please refer to Appendix D for an explanation of the applicability of Streetworks Scheme Charges.

<sup>&</sup>lt;sup>8</sup> Please refer to the glossary of terms in Appendix B.

<sup>&</sup>lt;sup>9</sup> 12% Gross profit margin is calculated as (1 / (1 - 12%))-1 = 13.64% uplift on costs.

# 7. CHARGES FOR ADOPTION OF ASSETS & CONNECTIONS ADMINISTRATION CHARGES

# 7.1 Charges for Non-GIRS Registered Organisations

We apply a charge where we are asked to adopt or take ownership of connections apparatus and infrastructure laid by a customer. Where the customer is not part of the Gas Industry Registration Scheme (GIRS), the applicable standard administration charges are as set out in Table 1, and are categorised by small and large jobs. Bespoke charges will be calculated for complex jobs.

# Table 1: Standard charges for Non-GIRS Registered UIP Connections (Charges excl. VAT)

GIRS Registration Status	Small job	Large job
Non GIRS Design registered	£95	£137
Non GIRS Construction/Commissioning Registered		
	£581	£990
Non GIRS registered for both Design and Construction/Commissioning		
	£675	£1,127

**NB:** Where the customer applying for adoption or taking ownership of pipes does not hold either the Design and/or Construction/Commissioning registration the above charges are payable, unless they are GIRS registered for Project Management and subcontract to an organisation that is GIRS registered for Design and/or Construction / Commissioning.

# Bespoke Complex Job Charge

We will charge £67 per hour (excl. VAT) in respect of bespoke below 7 barg adoption or taking ownership charges, subject to a minimum charge equivalent to the standard charges above and dependent on the GIRS registration status.

# **Application Criteria**

Charges for adoption or taking ownership of assets, where they are laid by a customer, form part of the customer quotation and are payable on acceptance of the quotation. If we do not receive the required payment a rejection letter will be issued.

The standard charge categories are applied subject to the following:

#### Small Job

- Low pressure (below 75 mbarg) with pipe sizes less than or equal to 180mm PE and less than 100m of pipe to be laid.
- The apparatus has been designed to connect less than 20 domestic properties.
- Excludes jobs defined as "Complex".

# Large Job

- Medium pressure (75 mbarg to 2 barg) with a pipe size less than or equal to 355mm PE and less than 1000m pipe to be laid.
- Low pressure (below 75 mbarg) with pipe sizes less than or equal to 355mm PE and less than 1000m of pipe to be laid, excluding those defined under "Small job".
- The apparatus has been designed to connect less than 200 domestic properties and less than 20 Non Daily Metered I&C loads.
- Excludes jobs defined as "Complex".

# **Complex Job**

- Any job not meeting the small or large job category.
- Any job falling within the "Sufficient Complexity" category.

To qualify for a reduction in charges the customer must confirm their GIRS registration status and/or subcontractor GIRS registration status (if applicable), subject to the above rules. The GIRS registration status must be the "Full" registration status and appear on the GIRS Operator's public listing. Customers should indicate their registration status in the appropriate boxes on the customer quotation request form.

# 7.2 Standard Charges for GIRS Registered & iGT Organisations

Where organisations, which are part of the Gas Industry Registration Scheme, wish to perform the following activities on our Distribution Network System, a standard administration charge will apply;

- Self-connections
- Alterations
- Disconnections

The standard administration charge is cost reflective and is dependent upon the activity to be performed, the standard administration charges that apply are set out in Table 2, below.

# Table 2a: Standard Administration Charges (excl. VAT)

Joh Type	Work Request Method			
Job Type	Manual	Portal		
IGT Connection	£204	£182		
UIP (pipe diameter <63mm)	£245	£222		
UIP (pipe diameter =>63mm)	£278	£256		

# Table 2b: Standard Administration Charges – Increase in Load (excl. VAT)

	Work Request Method			
Job Type	Manual	Portal		
IGT Connection	£179	£157		
UIP (pipe diameter <63mm)	£220	£197		
UIP (pipe diameter =>63mm)	£253	£231		

	Work Request Method			
Job Type	Manual	Portal		
IGT	£406	£382		
UIP (pipe diameter <63mm)	£452	£428		
UIP (pipe diameter ≥63mm)	£483	£457		

# Table 3a: Standard Administration Charges for Quotations (excl. VAT)

 Table 3b: Standard Administration Charges for Quotations – Increase in Load (excl. VAT)

	Work Request Method			
Job Type	Manual	Portal		
IGT	£381	£357		
UIP (pipe diameter <63mm)	£427	£403		
UIP (pipe diameter ≥63mm)	£458	£432		

### 7.3 Complex Assurance Charges for GIRS Registered & iGT Organisations

Cadent will apply a standard assurance charge for all below 7barg Complex projects, where connections apparatus and infrastructure are laid, altered, or removed by a customer. A complex project is defined as any below 7 barg job that involves the implementation of the IGEM/GL/5 or GD/PM/G/17 approval process.

#### Statement of Charges

The assurance charges are cost reflective and are set out in table 1 and table 2 below.

#### Table 1: Standard Assurance Charge

Job Type (IGEM/GL/5)	Cost
Complex	£5600 (Excl. VAT)

#### Table 2: Standard Rates per hour

Project Co-ordinator	£35.49
Technical/Approval	£43.03
Operational Field force	£84.24

#### **Application Criteria**

- The standard assurance charge is applicable to all complex projects and will be applied at the post design approval stage prior to initiation of GL5/G17.
- Where the actual assurance charge incurred exceeds the standard assurance charge, we will invoice the customer for additional costs incurred. Where this occurs, we will make all reasonable efforts to ensure the customer is aware of costs to be occurred. The invoice will clearly state that the charge relates to Assurance charge.
- Addition charges required, will be charged at the applicable standard hourly rate and is dependent upon the activity to be performed.
- Where the actual Assurance Charges incurred are less than the standard Assurance Charge, we will refund the difference to the customer.
- Charges are applicable in respect of any works carried out on a project.

# 8. ABORTIVE VISIT CHARGES

#### **Statement of Charges**

Cadent will charge the Customer for its own reasonably incurred costs related to eligible abortive visits.

### Application Criteria

The charge is applicable in respect of any works where a planned date has been agreed between Cadent and the customer and will apply where:

- the customer refuses an on-site variation to a quote, making a job cancellation or deferral necessary; or
- the customer has not informed us of on-site conditions which prevent the work from being carried out, or would make it unsafe to do so; or
- the customer requests a change to the agreed planned date, but costs have been incurred e.g. due to additional highway authority charges

#### Example

Where the site is not ready when the Cadent team arrive, reasonably incurred costs may include: the associated costs of the team on site for the duration of the planned job, the costs of planning and delivering any traffic management needs and any costs associated with acquiring permits or lane rentals in order that the teams can work at the location.

#### Other Information

The invoice will clearly state that the charge relates to a cancelled job, and the reason for the cancellation.

Where we have visited the premises for the purpose of laying a new connection pipe and found a live supply to an Emergency Control Valve, an Abortive Visit Charge will not apply.

# 9. UIP / IGT FINAL CONNECTION CHARGES

### **Statement of Standard Charges**

This section sets out the standard charges we apply when we are requested to carry out the final connection of pipes laid by Utility Infrastructure Providers (UIPs) and Independent Gas Transporters (iGTs) to our gas distribution network.

The standard charges shown below exclude the cost of providing protection, abandonment or diversionary works which may be required to our apparatus to enable the connection requested.

**Profit Element:** The charges below include a 12% gross profit margin<sup>10</sup>.

	NORTH WEST						
Offtake Dia. (mm)		Paren	t Main Diar	-	/lains)		
	63mm	90mm	125mm	180mm	250mm	315mm	
63	£969	£969	£969	£969	£969	£969	
63+LV	£1,038	£1,038	£1,038	£1,118	£1,118	£1,118	
90		£1,037	£1,165	£1,234	£1,234	£1,315	
90+LV		£1,233	£1,315	£1,372	£1,372	£1,453	
125			£1,361	£1,718	£2,410	£2,894	
125+LV			£1,545	£1,845	£2,537	£3,033	
180				£2,560	£3,528	£4,336	
180+LV				£2,963	£3,644	£4,451	
In Line	£969	£969	£1,222	£2,421	£2,571	£3,528	

# Standard Charges (excl. VAT)

		NORTH WEST						
Offtake Dia. (mm)		Parent N	lain Diame	ter (Metalli	c Mains)			
	2inch	<b>3inch</b>	4inch	6inch	8inch	10inch		
63	£969	£957	£957	£969	£969	£969		
63+LV	£1,038	£1,026	£1,026	£1,038	£1,038	£1,038		
90		£1,234	£1,234	£1,245	£1,234	£1,315		
90+LV		£1,430	£1,441	£1,453	£1,441	£1,453		
125			£1,557	£1,730	£1,718	£2,202		
125+LV			£1,822	£1,845	£1,845	£2,329		
180				£2,848	£2,825	£3,644		
180+LV				£3,079	£3,102	£3,920		
In Line	£969	£1,165	£1,430	£2,560	£2,698	£3,644		

<sup>&</sup>lt;sup>10</sup> 12% Gross profit margin is calculated as (1 / (1 - 12%)) - 1 = 13.64% uplift on costs.

	WEST MIDLANDS						
Offtake Dia. (mm)		Paren	t Main Diar	neter (PE N	/lains)		
	63mm	90mm	125mm	180mm	250mm	315mm	
63	£1,049	£1,049	£1,049	£1,453	£1,453	£2,099	
63+LV	£1,118	£1,118	£1,118	£1,522	£1,522	£2,237	
90		£2,087	£2,387	£3,655	£3,655	£4,624	
90+LV		£2,364	£2,514	£3,805	£3,805	£4,774	
125			£2,398	£3,817	£4,347	£5,316	
125+LV			£2,514	£3,944	£4,635	£5,454	
180				£3,840	£4,670	£5,788	
180+LV				£4,093	£4,924	£6,065	
In Line	£1,130	£2,099	£2,272	£3,724	£3,851	£5,454	

	WEST MIDLANDS						
Offtake Dia. (mm)		Parent N	lain Diame	ter (Metalli	c Mains)		
	2inch	<b>3inch</b>	4inch	6inch	8inch	10inch	
63	£1,049	£1,038	£1,118	£1,453	£1,453	£2,099	
63+LV	£1,118	£1,095	£1,257	£1,522	£1,522	£2,237	
90		£2,364	£2,525	£3,667	£3,655	£4,624	
90+LV		£2,479	£2,664	£3,805	£3,805	£4,762	
125			£2,525	£3,667	£3,817	£4,624	
125+LV			£2,790	£3,782	£3,944	£4,762	
180				£3,967	£3,955	£5,085	
180+LV				£4,359	£4,232	£5,362	
In Line	£969	£2,214	£2,387	£3,851	£3,978	£5,569	

	EAST OF ENGLAND						
Offtake Dia. (mm)		Paren	t Main Diar	neter (PE N	/lains)		
	63mm	90mm	125mm	180mm	250mm	315mm	
63	£957	£969	£969	£1,280	£1,280	£2,099	
63+LV	£1,026	£1,038	£1,038	£1,349	£1,349	£2,237	
90		£2,087	£2,375	£3,332	£3,332	£4,301	
90+LV		£2,191	£2,514	£3,471	£3,471	£4,428	
125			£2,398	£3,332	£4,024	£4,993	
125+LV			£2,502	£3,459	£4,151	£5,120	
180				£3,355	£4,324	£4,981	
180+LV				£3,759	£4,601	£5,258	
In Line	£969	£1,937	£2,099	£3,229	£3,355	£4,797	

	EAST OF ENGLAND					
Offtake Dia. (mm)	Parent Main Diameter (Metallic Mains)					
	2inch	3inch	4inch	6inch	8inch	10inch
63	£957	£957	£957	£1,361	£1,361	£2,099
63+LV	£1,026	£1,026	£1,026	£1,430	£1,430	£2,237
90		£2,364	£2,364	£3,332	£3,332	£4,301
90+LV		£2,479	£2,491	£3,471	£3,471	£4,428
125			£2,514	£3,482	£3,482	£4,301
125+LV			£2,617	£3,621	£3,621	£4,416
180				£3,632	£3,632	£4,428
180+LV				£3,874	£3,909	£4,543
In Line	£968	£2,213	£2,225	£3,356	£3,483	£4,912

	LONDON					
Offtake Dia. (mm)	Parent Main Diameter (PE Mains)					
	63mm	90mm	125mm	180mm	250mm	315mm
63	£1,384	£1,372	£1,384	£1,672	£1,672	£2,560
63+LV	£1,453	£1,441	£1,476	£1,753	£1,753	£2,583
90		£1,914	£2,029	£2,479	£2,571	£4,509
90+LV		£2,179	£2,145	£2,594	£2,698	£4,635
125			£2,110	£2,479	£3,171	£5,200
125+LV			£2,272	£2,606	£3,298	£5,339
180				£3,252	£3,482	£5,154
180+LV				£3,644	£3,632	£5,281
In Line	£1,372	£1,799	£1,880	£2,860	£3,056	£8,014

	LONDON					
Offtake Dia. (mm)	Parent Main Diameter (Metallic Mains)					
	2inch	<b>3inch</b>	4inch	6inch	8inch	10inch
63	£1,384	£1,441	£1,476	£1,672	£1,672	£2,571
63+LV	£1,453	£1,557	£1,591	£1,764	£1,764	£2,664
90		£2,179	£2,249	£2,571	£2,571	£4,624
90+LV		£2,318	£2,375	£2,698	£2,698	£4,762
125			£2,364	£2,583	£2,583	£4,635
125+LV			£2,514	£2,710	£2,710	£4,774
180				£3,252	£3,252	£4,647
180+LV				£3,632	£3,632	£4,912
In Line	£1,372	£2,041	£2,018	£3,252	£3,252	£8,291

Note: LV = Line valve

# Application Criteria

The above standard charges are applicable where the UIP / iGT:

- carries out all excavation and reinstatement associated with the required connection
- lays its infrastructure back to our parent main at the agreed point of connection
- makes payment of any applicable asset adoption charge (non GIRS only) as set out in Section 8 of this document
- makes payment of any applicable reinforcement or enhancement costs

Where standard charges cannot be applied, the connection charge will be determined using a Non-Standard Quotation.

**Streetworks Scheme Charges –** Note that additional highway authority charges may apply in addition to the above charges. Note also that where VAT applies to the quoted standard charge, VAT at the same rate will be applied to any Streetworks Scheme Charges charged in respect of that job. Please refer to Appendix D for an explanation of the applicability of Streetworks Scheme Charges.

# 10. UNIFORM NETWORK CODE (UNC) TRANSPORTATION PRINCIPAL DOCUMENT SECTION G CHARGES

The following standard charges are being implemented pursuant to UNC TPD Section G 2.11, 3.7 and 3.8, with effect from 1st May 2015.

### **Charges for Meter Validation / Removal**

Description of Work	Rate (excl. VAT)			
Validation of meter details on site/identification of found meter on site	£65			
Isolation of supply and removal of meter where required (domestic)	£137			
Isolation of supply and removal of meter where required (I&C)	Charges as per I&C meter removal charges published in Cadent's Metering Charges document plus administration			

#### **Application criteria**

The above charge rates will be applied to visits carried out by Cadent in line with our obligations under UNC Section G in relation to activities undertaken on supply points pursuant to UNC TPD Section G 2.15, 3.7 and 3.8.

#### Other information

Should a full supply point disconnection be required these will be charged in line with our published disconnection rates.

These charges will be published in an updated version of our statement of standard connection charges document in advance of implementation.

If you have any query about the above charges, please contact Andy Clasper in our Regulation and External Affairs team <u>Andy.Clasper@cadent.com</u>

# **APPENDIX A: CHARGING EXAMPLES**

The following examples are shown for illustrative purposes only and show the application of our standard charges in a range of scenarios for some typical jobs. Note that charges include a profit element only where this is indicated. For the purpose of these examples Streetworks Scheme Charges are excluded.

### 1 New connection standard charges example

#### Example Project Details

A request is received for a new gas connection to a domestic premise (not part of a multiple development) in West Midlands Network, for which the request details are:

- Annual gas consumption 16,500 kWh per annum (using standard U6 domestic meter).
- Proximity of the premises to a relevant main 5 metres.
- Length of pipe required on consumer's premises 11 metres.
- Excavation type including excavation and reinstatement.
- Termination to a bolt on meter box on the front profile of the building.

### Charges Applied

The request is eligible for a standard charge; a charge of **£1,527** plus VAT is quoted to the customer.

Std Base Charge - £422 11m in private with excavation and reinstatement - £1,105.

Total Price = £1,527 plus VAT

#### 2 Disconnection standard charges example

#### Example Project Details

A request is received for the disconnection of a gas service pipe in West Midlands Network, for which the request details are:

- Diameter of service pipe to be disconnected 90mm.
- Pressure tier of network connected to Low Pressure.
- Surface category of the disconnection Public Footpath.

#### Charges Applied

The request is eligible for a standard charge of £1,923 plus VAT.

Note this charge does not cover any work related to the removal of the gas meter.

# 3 Alteration standard charges example

#### **Example Project Details**

A request is received for the alteration of a gas service pipe in East Midlands Network, for which the request details are:

- Diameter of service pipe to be altered 32mm.
- Operating pressure of service pipe Low Pressure.
- Service entry Ground Floor.
- Length of alteration required 7 metres.
- Surface adjacent to exiting service entry is flower bed.
- Surface adjacent to proposed meter box is tarmac.
- Excavation and reinstatement to be carried out by Cadent
- Security or similar access restrictions None.
- A bolt on meter housing is required.
- Meter relocation and reconnection to internal pipework is required.

#### Charges Applied

The request is eligible for a standard charge so £1,440 plus VAT is self-quoted.

Std Base Charge = £593 7m of alteration = £847

Total Price = £1,440 plus VAT

# 4 UIP/iGT mains connection standard charge example

#### Example Project Details

An Independent Gas Transporter (iGT) requires Cadent to connect their new gas main, feeding phase one of a newly constructed housing estate – which they will operate as an independent gas distribution system – to the Distribution Network System in North West Network. The job details are:

- No. domestic dwellings in final proposed connected system 250.
- Diameter of main laid by UIP 125mm (assumes peak hourly load <=3,250 kW, per table A.4 T/SP/NP/14 document).
- Diameter of PE parent main in Distribution Network System 125mm.
- Operating pressure of Distribution Network System Low Pressure.
- Offtake main laid by UIP up to parent main connection point and site fully excavated to allow mains connection.

#### Charges Applied

The request is eligible for a standard charge. By reference to the standard charges table for North West Network, a connection charge of **£1,361**\* plus VAT is self-quoted.

\* Includes a 12% profit element.

#### 5 Self-Connection Request received from a GIRS registered Utility Infrastructure Provider (UIP)

A Utility Infrastructure Provider (UIP) registered under the Gas Industry Registration Scheme is seeking to lay a gas service supplying a new industrial unit back to a Cadent Relevant Main and to perform the final connection

- No anticipated difficulties associated with the construction works
- Anticipated aggregate annual consumption is 240 MWh
- Anticipated peak 6 minute flow rate: 24 standard cubic metres per hour
- 63mm diameter service to be installed
- No requirement for mains reinforcement
- Work request is submitted manually

#### Charge details

Customer would receive a standard administration charge as per Table 2 of Section 7.2 of this document.

#### Standard Charge = £278 plus VAT

#### 6 Self-Connection complex request received from a GIRS registered Utility Infrastructure Provider (UIP)

New connection standard charges example

A Utility Infrastructure Provider (UIP) is seeking to lay and commission IP/MP main, install governor: hot tap welded tee connection onto an existing 300mm ST IP Cadent main. Lay 200m of 6-inch ST and 500m of 180mm PE IP main.

Explanation example for costs applied, each cost condenses each rate into total figure, 1<sup>st</sup> passes are referenced as a standard rate, reconciliation would be charged per hour thereafter.

Hourly Rates are as per Table 2 of Section 7.3 of this document

Fee due £5600 (Excl VAT) Post Design Authorisation and will be discussed at engagement meeting.

- Engagement meeting with relevant parties to discuss project timelines, deliverables, and preliminary design; charged at 1 hour £35.49
- Validation/support of contingency options for proposed NRO; charged at 2 hour-£79.52
- Design Challenge and review of proposed design this will be charged respectively for Project Co-ordinator and technical review: charged at 12 hours 1<sup>st</sup> pass -£460.04
- Certification pack review/Validate; charged at 4 hours for 1<sup>st</sup> pass £327.95
- Project Closure of GL/5; charged at 8 hours 1st pass £513.94

Additional assurance costs associated with working example.

• Deviation approval required for this project charged at 2 hours - £79.52

- Design variation request accompanied with late submission charge \*, charges at 14 hours and 24 hours retrospectively **£1416.94**.
- Connections audit requirements charged for 9 hours and 4 hours £559.85
- Cathodic protection isolation applied, required onsite attendance for Governor commission and snagging. Charged at 28 hours £1752.15
- Site witness requirements to progress construction issues onsite. Charged at 12 hours £460.04
- Site meeting request- charged at 4 hours £141.96

#### Total Cost - £5313.46

\*See Connections Delivery Framework for further guidance on activity applied to charge fee.

# 7 Customer requests a Non-Standard Quotation for a Connection to a Commercial Premises

#### Example Project Details

A request is received for a new gas connection to a commercial premise, for which the request details are:

- Single connection for commercial load expected to consume at peak levels below 695 kWh
- Proximity of the premises to a relevant main 19 metres.
- Length of service pipe required on premises 14 metres.

#### **Quotation Charge Applied**

The customer would be required to pay a quotation charge of **£510**\* plus VAT at the point of requesting the quotation for works.

# **APPENDIX B: GLOSSARY OF TERMS**

#### DISTRIBUTION NETWORK / DISTRIBUTION NETWORK SYSTEM / DN

The above terms refer to the relevant gas pipe-line system owned by Cadent within the Distribution Network, as defined in Paragraph 1 in Special Condition E1 of our GT Licence. (This definition excludes service pipes, which are provided for the purpose of supplying individual premises.)

### DOMESTIC

Any reference in this document to the term "domestic" is made in relation to domestic premises as defined under the terms of the Utilities Act 2000.

#### DOMESTIC LOAD CONNECTION ALLOWANCE

The Domestic Load Connection Allowance is the contribution that we are required to make towards the cost of installing the connection from a premises to the main as required by Condition 4B(1) of our Licence. The contribution is for the laying of up to the first ten metres of pipe in land that is dedicated to public use. The allowance only applies where the premises is defined as domestic under the terms of the Utilities Act 2000 and is situated within 23 metres of a Relevant Main.

#### ECONOMIC TEST

The Economic Test is a financial assessment tool that is designed to ensure that we meet our Gas Act obligations to develop and maintain an efficient and economical pipeline system for the conveyance of gas and to comply with any reasonable request to connect to its system any premises or pipeline system operated by another authorised transporter, where it is economical to do so (Gas Act, Section 9(1)(a) and 9(1)(b)). It does this by deriving the required customer contribution (if any) in respect of reinforcement costs incurred by us as a result of providing a connection to our system. Where the Economic Test is "passed", no customer contribution is payable in respect of the reinforcement. Where the proposed connection does *not* pass the Test, the customer must pay a specified contribution in advance.

#### FIT FOR PURPOSE

This term describes apparatus or a design for same, which meets the required engineering standards and which will safely transport 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.

#### FUEL POOR TEST

This is an alternative form of economic test which is applied in place of the Economic Test where the works in question relate to domestic premises which are identified as Fuel Poor. Under the Fuel Poor Test, the incremental costs of the load which are offset against incremental transportation income also include the costs of providing the service pipe. The operation of the Fuel Poor Test is explained in Section 6 of our Gas Distribution Connection Charging Statement.

#### FUEL POOR VOUCHER

This term describes the value of the Connection Costs which are offset as a result of the application of the Fuel Poor Test, and is determined in the manner set out in Section 6 of our Gas Distribution Connection Charging Statement. The Fuel Poor Voucher can be used as full or partial payment of the cost of connection by the Fuel Poor connectee.

#### UTILITY INFRASTRUCTURE PROVIDER (UIP)

This is an organisation which designs and constructs gas infrastructure for adoption by Gas Transporters (They may also offer to construct other utility related equipment e.g. a water service pipe and / or install gas appliances and / or offer other services.)

#### **INFILL SCHEMES**

An Infill Scheme is the extension of new relevant mains to an area having a number of existing premises (there may also be new premises being constructed in the area) 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. In an infill, an individual contract is formed when sufficient premises have returned completed acceptances for a gas connection and an individual charge is made to carry out that connection. We will only consider acceptances for the establishment of an infill when the expected uptake of gas connections in the first 20 years is sufficient to make the project economic. The infill is only confirmed when sufficient acceptances have been received to confirm that the expected uptake of connections to gas is likely to be achieved. The charging arrangements for Infills are covered by the Gas Connection Charges Regulations. Note that the Domestic Load Connection Allowance is not applicable to connectees within a live Infill scheme.

#### NON-STANDARD QUOTATION

A Non-Standard Quotation (or Bespoke Quotation) is any quotation for works other than a Standard Quotation but excluding a self quotation, i.e., all quotations that require a bespoke price, a site visit or reinforcement.

#### **RELEVANT MAIN**

A Relevant Main is a distribution main operated by us 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 2,196,000 kWh 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.

#### SHIPPER SELF-QUOTE

This refers to standard quotations for domestic connections that are provided by a shipper or supplier to a customer, using standard charging information provided by the gas transporter.

#### SOURCE PRESSURES

We publish standard source pressures, which may be subject to change from time to time. However, please note that the service for specific network analysis enquiries was discontinued as of 3 July 2006, in line with revisions to Cadent's Network Policy Manual, NP14. Any enquiries regarding this change to policy should be directed to our Network Strategy Team using the contact details provided in Appendix D to this document.

#### **STANDARD QUOTATION**

A Standard Quotation is a desktop quotation for an individual one-off new service or alteration request which results in the application of a standard price, (excluding self-quotations).

#### STREETWORKS SCHEME CHARGES

For the purposes of this document and Cadent's Connections Charging Methodology Statement, the term "Streetworks Scheme Charges" means charges made by highway or street authorities in relation to permit schemes made under Part 3 of the Traffic Management Act 2004 (TMA), and / or Lane Rental schemes made under Section 74A of the New Roads and Streetworks Act 1991 (NRSWA). The term "Streetworks Scheme Charges" covers Lane Rental charges; initial TMA permit fees, together with any subsequent fees for variation and further permit fees incurred to carry out the works ordered by the customer. The principles we will apply in determining where such charges are directly recoverable from customers are set out in Appendix D to this document.

#### SUFFICIENT COMPLEXITY

"Sufficient Complexity" connections occur when the connection, disconnection or service alteration is to be made to an above 2 barg<sup>11</sup>. system, or 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 £50,000, or where the total construction costs including applicable overheads, based on past experience of projects of a similar nature, is expected to exceed £250,000.

"Sufficient Complexity" reinforcements occur when the reinforcement includes any apparatus that is designed to operate at above 2 barg<sup>8</sup>. or 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 £50,000, or where the total construction costs including applicable overheads, based on past experience of projects of a similar nature, is expected to exceed £500,000.

A list of obstacles having the potential to categorise a connection or reinforcement job as being of Sufficient Complexity is provided in Appendix C of our Connections Charging Methodology Statement.

<sup>&</sup>lt;sup>11</sup> Under a change to connections policy effective from 15<sup>th</sup> October 2007 the threshold for Sufficiently Complex connections and reinforcements changed from 7 barg to 2 barg. Since that date all requests for connection to parts of our distribution network designed to operate at pressures in excess of 2 barg are deemed to be Sufficiently Complex.

# **APPENDIX C: FUEL POOR CONNECTIONS**

### INTRODUCTION

Where a potential new domestic connectee has been designated as "Fuel Poor", the customer will be eligible for a Fuel Poor Voucher, which may partially or wholly offset the cost of that connection to our Distribution Network System. Qualifying connection requests may take the form of individual domestic customers seeking a connection to an existing relevant main, or groups of existing domestic premises seeking connection collectively by means of an extension to our Distribution Network System. The criteria applied in determining eligibility and connection charges for Fuel Poor domestic connections are described in Section 6 of our Gas Distribution Connections Charging Methodology Statement. An example of how connection charges are derived for a one-off Fuel Poor Connection is provided in Appendix A, example 7.

### COMMUNITY FUEL POOR CONNECTIONS

Connection charges for customers connecting as part of a Fuel Poor community scheme are calculated on a bespoke basis and are therefore not included in this statement of standard charges.

#### **INDIVIDUAL "ONE-OFF" FUEL POOR CONNECTIONS**

For individual domestic Fuel Poor customers whose premises are situated within 23 metres of our Relevant Main, the connection charge payable is calculated by comparing the standard domestic connection costs for the Distribution Network (DN) in which the premises is located, with a standard value for capitalised transportation revenue for that DN. The relevant standard values are published in the tables on the next page.

### DOMESTIC LOAD CONNECTION ALLOWANCE

For domestic connections designated as Fuel Poor and which fall within 23 metres of a relevant main, the costs relating to the Domestic Load Connection Allowance<sup>12</sup>, which are otherwise excluded from the connection charge payable by the connectee, are included as part of the total connection cost for the purpose of applying the Fuel Poor Test, and this allowance therefore forms part of the value of the Fuel Poor Voucher.

# STREETWORKS SCHEME CHARGES

Please note that where Streetworks Scheme Charges apply to a one-off Fuel Poor connection request which meets the application criteria within Section 2 of this document it must be included, within the costs relating to the Domestic Load Connection Allowance, as part of the total connection cost for the purpose of applying the Fuel Poor Test. Therefore the specified exemption (a) in Appendix D<sup>13</sup> has no effect on the calculation of the contribution payable by the Fuel Poor customer. This means that where Streetworks Scheme Charges are applied to a Fuel Poor connection request and this causes the total connection cost to exceed the maximum value of the Fuel Poor Voucher, or increases the amount by which that threshold is exceeded, this will increase the contribution required from the customer.

Where the addition of Streetworks Scheme Charges would otherwise result in a quoted charge that is higher than that quoted for an equivalent non-Fuel Poor connection job, we will quote the non-Fuel Poor charge to the customer.

<sup>&</sup>lt;sup>12</sup> See Glossary in Appendix B

<sup>&</sup>lt;sup>13</sup> This explains the principles we will apply in determining whether Streetworks Scheme Charges are directly recoverable from customers.

# Table of Standard NPV Transportation Revenue

	North West	West Midlands	East Anglia	East Midlands	London
NPV Transportation Revenue	£3,036	£2,752	£2,702	£2,650	£2,967

The gas distribution networks (GDNs) have an obligation to ensure that customers in receipt of Fuel Poor Network Extension Scheme (FPNES) vouchers have an intention to install gas fuelled appliances within 12-months of receiving the gas connection. Customers have historically accessed support to install gas fuelled appliances through industry schemes such as the Energy Company Obligation. However, recent changes to the funding landscape for first time gas central heating has meant that a growing number of customers have been unable to demonstrate an intention to install gas fuelled appliances following receipt of their gas connection. The GDNs have been in dialogue with Ofgem concerning the future viability of the scheme given the changes to the first time gas central heating funding landscape. Ofgem and the GDNs have agreed to continue these conversations into financial year 2023 – 2024 with the view to formally consulting on the closure of the scheme. Furthermore, any closure of the FPNES scheme is likely to result in an increase in funding for wider services such as the provision of in-home energy efficiency advice, income maximisation, and debt management support.

# APPENDIX D: RECHARGING OF STREETWORKS SCHEME CHARGES

### **General Principle**

Where a customer requests works from Cadent that involve excavations in a street that is subject to a local highway authority permit scheme made under Part 3 of the Traffic Management Act 2004 (TMA) and / or Lane Rental Schemes made under Section 74A of the New Roads and Streetworks Act 1991 (NRSWA), the relevant Streetworks Scheme Charges will be chargeable to the customer<sup>14</sup>. Such costs will be separately identified in the customer's quotation. The customer will be required to pay the estimated Streetworks Scheme Charges in advance, together with payment of the quoted charge for the requested work. Any variation from the initial estimate of Streetworks Scheme Charges will be reconciled and refunded or invoiced to the customer following completion of the works.

Please also note that additional Streetworks Scheme Charges may also be payable where a customer triggers any change that invalidates the terms of the original agreed permit. Such changes include:

- i) Requests to reschedule the agreed date for carrying out the required works, or
- ii) Where the actual required work is found to differ from that quoted, due to incorrect or incomplete information having been supplied by the customer.

In all instances, we will make such charges in respect of Streetworks Scheme Charges from the local highway authority separately identifiable.

Please note that validly applied Streetworks Scheme Charges are non-refundable.

#### SPECIFIED EXEMPTIONS

#### (a) Domestic Load Connection Allowance

Please note that for connections eligible for the Domestic Load Connection Allowance (see Glossary in Appendix B), the initial Streetworks Scheme Charges will be deemed to fall within this allowance and thus will not be charged to the customer directly<sup>15</sup>. However any further Streetworks Scheme Charges incurred other than under (b) and (c), below, will be chargeable to the customer.

#### (b) Cadent Policy

Streetworks Scheme Charges will not be charged to customers where the work is initiated pursuant to our policy, for example, the replacement of existing metallic services with polyethylene pipe.

#### (c) Cadent Failure or Default

We will only seek to recover Streetworks Scheme Charges where these have been incurred efficiently. The customer will not be charged where Streetworks Scheme Charges have been incurred as a result of any failure or default on our part.

#### (d) Fuel Poor Connections

Where Streetworks Scheme Charges are included as part of the total Connection Costs for the purpose of applying the Fuel Poor Test, it may not be practicable to separately identify such within any quote for a customer contribution. Where the addition of Streetworks Scheme Charges would otherwise result in a quoted charge

<sup>&</sup>lt;sup>14</sup> With the exceptions specified.

<sup>&</sup>lt;sup>15</sup> Except for Fuel Poor Connections, as explained in Appendix C.

that is higher than that quoted for an equivalent non-Fuel Poor connection job, we will quote the non-Fuel Poor charge to the customer.

#### Streetworks Scheme Charges – Recharging Process

Where applicable, we will provide an estimate of the Streetworks Scheme Charges which we would reasonably expect to incur in carrying out the requested works together with our quotation for the cost of those works and will be separately identifiable on that document. The estimated Streetworks Scheme Charges will be payable in advance along with the quoted cost of the works.

Where the actual Streetworks Scheme Charges incurred exceeds the estimated amount either due to the customer's action (e.g. where the site is not ready on the planned day of the works, or the customer is not available to enable completion of the works within the planned job duration) or where additional Streetworks Scheme Charges are incurred due to other circumstances beyond our reasonable control, we will invoice the customer for the additional charges incurred. Where this happens, we will make all reasonable endeavours to inform the customer of the additional charges, prior to invoicing.

Where we are unable to contact the customer, we may cease works and charge all additional costs incurred up to that point. The customer will then need to contact us to arrange completion of the works; which will be conditional upon receipt of payment of any further estimated Streetworks Scheme Charges, together with any additional costs for works which may apply.

Where the actual Streetworks Scheme Charges incurred are less than the estimated amount, we will refund the difference to the customer.

#### **Avoidability of Lane Rental Charges**

Where a Lane Rental scheme is in place and depending upon the rules of that particular scheme, Lane Rental charges may be avoidable<sup>16</sup> in certain circumstances, e.g. where the works can be undertaken with no impact on the road carriageway or cycleway, or where the works can be completed during non-traffic sensitive times. Where it is reasonably practicable for us to avoid Lane Rental charges, within operational and economic limits, we will make reasonable endeavours to do so. In all other circumstances, we will recharge to the customer the Lane Rental charges we incur in carrying out the requested works, subject to exemptions (a), (b) and (c) above.

Where we incur additional costs in order to achieve a net saving by avoiding Lane Rental charges, we will reflect those additional costs within the charges for works and / or quotation charges, accordingly.

<sup>&</sup>lt;sup>16</sup> Note that where Lane Rental charges are avoided, TMA Permit charges may be applicable.

# **APPENDIX E: CONTACT DETAILS**

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

To obtain any of the domestic services set out in this document, please either:

Apply online at http://cadentgas.com/Get-connected

Or contact:

Connections Cadent Pilot Way Ansty Park Coventry CV7 9JU

Tel: 0800 0745 788 Email: <u>connectionshelp@cadentgas.com</u>

#### 2 Non Standard application team

Please contact:

Non Standard applications Cadent Pilot Way Ansty Park Coventry CV7 9JU

Tel: 0800 0745 788 connectionshelp@cadentgas.com

#### 3 Further Information on this document

Any comments or enquiries regarding this document should be forwarded to Commercial Team

Martin Shannon Head of Business Services Cadent Pilot Way Ansty Park Coventry CV7 9JU

# 4 Our Complaints Process

Good customer service is a high priority within Cadent and when our customers tell us they are unhappy with any aspect of the service they have received, we do our best to take action to put it right.

This section tells you what steps to take if you find yourself in this position and wish to draw a matter to our attention by making a complaint. This service is free to all our customers.

So that we can address your concerns we may need to disclose your information to our employees, professional advisers or contractors. We will respect your privacy and comply with the data protection and privacy laws that govern these situations.

# Step 1. Making a complaint or checking progress of a complaint.

Please contact us by phone, email or in writing.

Phone: **0345 070 0203** select Option 2 (All calls are recorded and may be monitored for training purposes)

Minicom for consumers with hearing difficulties: 0800 371787.

Email: <a href="mailto:box.complaints@cadentgas.com">box.complaints@cadentgas.com</a>

Post: Complaints Team Cadent Pilot Way Ansty Park Coventry CV7 9JU

If English is not your first language we will find an interpreter who can translate for you.

We treat all complaints seriously and guarantee:

- A full investigation
- A detailed response within 10 working days

If we are unable to fully investigate your complaint within 10 working days we will keep you informed of our progress and let you know when you can expect a response. If we do not give you a response within 10 working days you may be eligible for a compensation payment under our standards of service.

# Step 2. If you are unhappy with our first response

You can ask for your complaint to be referred to our escalated complaints team. This team will review your complaint, try to resolve any outstanding issues and provide you with a further response within 10 working days.

You can ask for your complaint to be referred to this team, or contact them by phone, email or post quoting your complaint reference number.

Phone 0800 609 1543 (All calls are recorded and may be monitored for training purposes)

Minicom for consumers with hearing difficulties: 0800 371787

Email: <a href="mailto:box.customer.escalations@cadentgas.com">box.customer.escalations@cadentgas.com</a>

Post: Cadent Pilot Way Ansty Park Coventry

CV7 9JU

# Step 3. If you are unhappy with our second response

If you are still not satisfied or you think we may not have followed our complaints procedure correctly, you can ask for your complaint to be referred to the Customer Support Manager. How we have dealt with your complaint to this point will be reviewed, and you will receive a response which explains our final position within 10 working days.

Please contact us by phone, email or in writing, using the address details given in Step 2.

# Step 4. Independent review

If you are not happy with how we have dealt with your complaint, you can get in touch with the Citizens Advice Consumer Service, an independent consumer organisation. They will be able to tell you what your rights are and what you can do to pursue your complaint. They will expect you to use our complaints procedure first though. You can contact them in the following ways:

- **Consumer Helpline:** 08454 04 05 06
- Typetalk for consumers with hearing difficulties: 08451 28 13 84
- Website: <u>www.citizensadvice.org.uk/consumer\_service</u>

# Step 5. Energy Ombudsman

If we have taken longer than eight weeks to deal with your complaint, or we have written to tell you that we aren't able to resolve it, you can contact the Energy Ombudsman. If they are able to help, they will study your complaint, make a final decision and let you know what they have decided.

If the Ombudsman believes there is a case to answer, we may be required to:

- Provide an apology; or
- Provide an explanation; or
- Take corrective action; or
- If appropriate, pay compensation.

The Ombudsman is not able to help you unless you have gone through our complaints procedure first. By law, we have to accept the decision of the ombudsman. You can contact the Ombudsman service in the following ways:

### Phone: 0845 055 0760 or 0330 440 1624

Typetalk for consumers with hearing difficulties: **08450 511513 or 01925 430886** Email: <u>enquiries@energy-ombudsman.org.uk</u>

Post: Energy Ombudsman PO Box 966 Warrington Cheshire. WA4 9DF

Cadent is a trading name for: Cadent Gas Ltd

Registered Office: Prologis Park, Central Boulevard, Coventry, Warwickshire CV7 8PE Registered in England and Wales, No 2006000

# Additional Information

- It will be helpful if you can give us any additional information to do with your complaint (such as reference numbers) so that we can deal with it more quickly.
- We will always try to answer your complaint by telephone. If you would like a written response to your complaint, please let us know.
- If we decide we need to visit you at home to discuss your complaint or enquiry, we will get in touch with you to arrange an appointment.
- So that we can make improvements, we use the information gathered from complaints to identify failures in the service we provide.
- Full details of our standards of service
- The Energy Ombudsman is a free service created by Parliament to settle disputes between gas and electricity companies and their customers.

For additional information please refer to the full version of our **Code of Practice**. A printed copy can be provided on request from Customer Support.

 Ofgem has provided the following definition of a "complaint" any expression of dissatisfaction made to an organisation, related to any one or more of its products, its services or the manner in which it has dealt with any such expression of dissatisfaction, where a response is either provided by or on behalf of that organisation at the point at which contact is made or a response is explicitly or implicitly required or expected to be provided.

Department Business Enterprise and Regulatory Reform (BERR) has provided the following **definition of a small business** who can use the Consumer Redress scheme:

- an annual consumption of up to 200,000 kwh; or fewer than 10 employees (or their full time equivalent); and
- an annual turnover or annual balance sheet total not exceeding £2 million.

### Referral to Ofgem

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