

NTS Connections Process – Draft Rules
Version 1.02

1. Application Process:

- 1.1 All potential NTS connectees ~~must have held~~ should endeavour to hold at least 1 formal meeting with NG NTS to discuss their proposed connection, at least [6] months before submitting a formal application.
- 1.2 All requests for connections (whether new or modifications to existing) must be submitted on ~~the relevant~~ formal application form~~(s)~~, published and easily accessible on ~~National Grid's~~ NG NTS' website.
- 1.3 The Application ~~F~~form must specify the scope and content of information reasonably required by ~~National Grid~~ NG NTS in order to assist in making a connection offer, including all relevant technical information. ~~[need to specify exactly what information?]~~
- ~~1.3~~ . This shall include as a minimum.... [detail here]
- 1.4 Submission by the UserApplicant and subsequent acceptance of the Aapplication ~~F~~form shall constitute formal admission into the NTS Connection Offer process. ~~[define clock start date]~~
- 1.5 In terms of preparation of an Offer, the 'clock' begins once NG NTS issues a notification of acceptance into the NTS connections offer process. The notification can only be issued once the Applicant has provided a 'Competent Application'. This includes correctly filling out the application form, providing the required technical data and payment of the relevant cleared application fee.
- ~~1.4.1.6~~ A ~~record of receipt~~notification of acceptance must be issued by NG NTS within [54] working days of receipt, subject to the application being a competent application.- Where applicable, reasons for non-acceptance by NG NTS will need to be articulated.
- ~~1.5.1.7~~ Each application form shall be date stamped and ~~dealt with~~prioritised in order of receipt.
- ~~1.6~~ The UserApplicant shall specify at the point of application what type of connection is being requested. Within [3] working days of receipt, NG NTS shall inform the UserApplicant of the categoryCategory of Connection Offer that the application falls into and confirm the clock start date.
- ~~1.7.1.8~~ Within [5] working days of receipt, NG NTS shall inform the UserApplicant of any additional information (beyond that specified on the application form) that is reasonably required in order to make a connection offer. The reason for requesting the data must be specified by NG and the request may reasonably be refused by the ~~UserApplicant~~.

1.9 If the UserApplicant wishes to examine a number of options in detail, a separate applicationApplication must be submitted for each option. one.

~~4.8 (Comment – would this also apply to minor variations?)~~

2. Connection Offers

2.1 The Connection Offer shall ~~replace~~supersede~~replace~~ the current “~~Design and Build Agreement~~” (“~~Conceptual Design Study~~” and a “~~Construction Agreement~~” in a single agreement.)~~;~~

2.2 All Connection Offers shall be made by NG NTS within {3} months from {the date of receipt of the application}~~notification of acceptance clock start date~~ unless the connection request is not for a green-field minimum connection~~;~~

2.3 ~~{~~Where the connection request is not for a green-field minimum connection~~}~~ an additional {3} months may be added to the period in which a connection offer shall be made by NG NTS (Total = 6 months).

2.4 Particularly complex ~~connections~~connection requests can be extended by a further 3 months (Total ~~= {9} months~~), but where agreed by the Applicant, or this additional extension can only be requested from Ofgem and ~~not~~will be accepted unless vetoed by ~~Ofgem.~~ Ofgem within 15 days of receipt.

2.5 Within the framework of maximum allowable timescales detailed at 2.2 – 2.4 (above), NG NTS shall establish, publish and review annually the types of NTS Connections and associated timescales and costs. [Matrix of connection types to be prepared by NG NTS].

2.6 For the avoidance of doubt, NG NTS shall retain a reasonable endeavours obligation to provide the Applicant with an Offer as soon as possible.

2.42.7 Once the offer has been made, NG NTS shall contact the applicant to discuss the Offer and arrange a post-Offer meeting if required.

2.52.8 The Offer must be accepted by the UserApplicant within 3 months from the date of Offer. Failure to accept within 3 months will cause the offer to lapse.

2.9 If after 3 months, NG NTS and Applicant fail to agree over the terms of the Offer, the matter may be referred to Ofgem for their review and determination (as per the CUSC arrangements).

~~— This must be notified no later than {3} working days after the date of Offer lapse.~~

2.62.10 Acceptance of the Offer will trigger the commencement of the construction stage. The Offer will ~~form~~inform the basis for the construction tender documents.

2.11 For new Exit connections, Acceptance of the Offer will trigger NG NTS to request from Ofgem a new Exit point and associated revenue driver to be inserted into its licence.

3. Costs / Fees

3.1 All minimum connection ~~A~~applications [precise scope to be defined] must be paid for at the point of ~~A~~application and attract a fixed ~~A~~application fee of ~~£[£30,000-]~~. This is intended to cover the cost of any/all necessary design studies and preparation of the [draft] construction agreement required in order to provide the connection offer.

3.2 All offers not falling into the definition of a minimum connection may be subject to additional charges, in accordance with [cost-reflective charging methodology to be determined] and paid in advance– [or reconciled afterwards?].

~~3.2.3~~ **3** The Application Fee shall be dependent on the location of the proposed site and the size of the project.

4. Penalties

4.1 Failure by NG NTS to provide the offer within permitted timescales (3, 6 or 9 months as the case may be) shall relieve the ~~A~~applicant of all cost liabilities associated with the connection application. Any monies paid in advance shall be refunded to the relevant User~~immediately refunded to the relevant Applicant.~~ ~~For the avoidance of doubt, NG shall retain a reasonable endeavours obligation to provide the Applicant with an Offer as soon as possible.~~

4.2 If the applicant wishes to vary (“Modify”) the nature or scope of the original connection request, this shall result in additional charges to the ~~User~~Applicant [level to be defined]. If the changes requested are significant ~~[test to be defined]~~, NG NTS reserves the right to re-start the process and re-set the associated timescales.

5. Content of Offer

5.1 The ~~offer~~Offer shall include all design / engineering studies required by NG NTS in order to make an ~~offer~~Offer (e.g. current Conceptual Design Study and / or feasibility study, as appropriate).

5.2 The ~~offer~~Offer shall include all site-specific information which varies from the Standard Conditions of Contract.

5.3 The ~~offer~~Offer shall provide an estimate of the construction stage costs attributable to the ~~applicant~~UserApplicant in respect of the ~~connection offer~~Connection Offer, if the ~~offer~~Offer is accepted.

5.4 NG NTS shall provide to the ~~applicant~~ UserApplicant a Connection Offer which shall contain as a minimum (NB - list is non-exhaustive):

- ~~[Indicative/caveated]~~ **Connection Date** ~~— [First gas date, capacity date/physical connection]~~
- **Location of Connection** – ~~including~~ OS grid reference & map.
- **Connection Offer Project Plan** – including:
 - **Commercial processes** – revenue drive timescales, process for getting exit and/or entry point into licence, exit-/entry capacity applications, when NExA / NEA / SCA has to be signed.
 - **Physical Works:** Programme of work, Construction Agreement, timeline for the works and key dates, payment milestones, credit requirements, purchase of long lead items.
 - **Planning timescales**
- **Technical Parameters** – e.g. Pressure (ANOP), Ramp Rates, Notice Periods, Temperature, Pipe specifications, Gas Quality parameters.
- **Route corridor of pipeline** with drawings (if applicable).
- ~~Draft ARCA~~ (if applicable).
- ~~[Indicative Exit / Entry charges applicable at first gas day (if data available).]~~

6. Information Publication Requirements

- 6.1 NG NTS shall as a minimum, publish the following information on its public website:
- Standard Conditions of Contract (SCC)
 - A generic Construction Agreement
 - A generic ARCA
 - Any other relevant standard terms and conditions / generic technical specifications which are not site-specific.

7. Pre-Connection Application ~~studies / Feasibility studies~~ Studies

- 7.1 Where a potential Aapplicant wishes to explore options for connecting to the network, a 'pre-application study' (feasibility study) may be requested by ana UserApplicant. Due to the speculative and varied nature of such requests, it is not proposed to specify precise timescales or costs upfront. However, NG NTS shall be subject to a reasonable endeavours obligation to complete the study in a reasonable timescale and at a price which reflects the costs incurred.

7.2 For the avoidance of doubt, a pre-application study shall not constitute a contingent part of the Connections Offer process. The primary purpose of such a study is for potential Applicants to explore and potentially narrow down options pre-connection in order to be in a position to submit a formal Application (e.g. to find the “best” point to connect on the NTS). There shall be no automatic requirement for a pre-application study to be conducted before a connection application can be made.

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