

Mary O'Kane
Transportation Services Manager
SGN Natural Gas,
14 Silverwood Industrial Estate,
Lurgan,
BT66 6LN

Ref: NET/G/RML/612
30 November 2022

Dear Mary,

Re: SGN Natural Gas (SGNNG) Distribution Network Code Modification 007

Thank you for your recent submission of the Modification Report in relation to the 'Proposed Modification to the SGN Natural Gas Distribution Network Code', Modification report 007 dated 28th October 2022. The report sets out the purpose of the proposed modification as the introduction of the necessary terms and processes into the Code for new distribution Biomethane System Entry Points (BSEPs); the proposed modification also introduces the concept of Network Entry Agreements (NEA) between the DNO and the facility operator at a BSEP and sets out the ways in which the provisions of NEAs are relevant to Users.

UR consideration of the Modification Report

The Utility Regulator (the UR) has considered the content of the Modification Report including SGNNG's conclusion that the proposed modification meets the 'relevant objective' in Condition 2.4 of the SGNNG licence. We also note that there was one consultation response received by SGNNG during the consultation period which expressed support for the proposal.

Decision

We are content that the proposal would better facilitate the 'relevant objective' as it will enable biomethane to be injected into the distribution network and facilitate energy balancing arrangements. This will enable efficient and economic development of the network with due regard to the environment.

The UR now gives the following Direction:

Pursuant to Condition 2.4.7(c) of the SGNNG licence, the UR directs SGNNG to implement the modifications as set out in the Modification Report outlined above. The modifications shall become effective on 1 December 2022.

Yours sincerely,



Roisin McLaughlin
Head of Network Operations
For and on behalf of NIAUR